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YERBA BUENA GARDENS

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DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

AND

YBG ASSOCIATES, a California limited partnership
of which Olympia & York California Equities
Corp. and Marriott Corporation are the
sole general partners

Dated as of October 15, 1984

Volume: 8 of 8 volumes

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Attachment No. 30(A)-(G) - Quitclaim Deeds
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Yerba Buena Gardens :
disposition and
1984.

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Attachment No. 26A

to
DDA

COORDINATION AGREEMENT

THIS COORDINATION AGREEMENT (the "Agreement") is entered into as of the ____ day of _____, 19__ by and among the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, and a chartered city and county of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California ("City"), the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a redevelopment agency and public body, corporate and politic ("Agency"), and YBG ASSOCIATES, a California limited partnership, of which Olympia & York California Equities Corp., a Delaware corporation, and Marriott Corporation, a Delaware corporation, are the general partners ("Developer").

R E C I T A L S:

A. Agency and Developer have entered into a Disposition and Development Agreement, dated as of _____, 1984 (the "DDA"), pursuant to which Agency and Developer have agreed, subject to and upon the terms and conditions set forth therein, to develop a mixed use development on Central Blocks 1, 2 and 3 of the Yerba Buena Center Redevelopment Area, including amusement, recreation and entertainment facilities ("ARE"), hotel, office space, retail space, parking, open space and cultural and other uses (said mixed use development, open space and other amenities being herein collectively called the "Yerba Buena Gardens").

B. City, Agency and Developer have entered into an Agreement to Lease, dated _____ (the "Agreement to Lease"), pursuant to which City has agreed to lease to Agency, subject to and upon the terms and conditions set forth therein and in that certain lease attached thereto as Exhibit A (the "Agency's Lease"), certain real property (the "Leased Rooftop Surface") located in the City and County of San Francisco, California on Central Block 3 of the Yerba Buena Center Redevelopment Area (the "CB-3 Property"). The Leased Rooftop Surface consists of a portion of the surface area of the rooftop (the "Convention Center Rooftop Surface") of the George R. Moscone Convention Center (the "Convention Center"), together with an extension of such surface over the airspace above certain portions of the CB-3 Property adjoining the Convention Center and situated between the Convention Center and the adjoining streets, and a portion of the air space above such surface area and the extension thereof.

C. City has excluded from the Agency's Lease and retained for its own use a separate portion of the surface area of the Convention Center rooftop, the extension thereof and the airspace thereabove (such portion retained by City being referred to herein as "City's Rooftop Surface"). Consistent with the Agency Lease and pursuant to an agreement, dated _____, 19____ (the "Developer's Sublease"), Agency has subleased to Developer a portion of the Leased Rooftop Surface (the "Developer's Rooftop Surface") and has retained for its own use a separate portion of the Leased Rooftop Surface ("Agency's Rooftop Surface").

D. City intends to develop on City's Rooftop Surface certain improvements to be used for activities in support of the Convention Center, including meeting room space and other amenities (the "City's Improvements"). Agency will cause to be developed on the Agency's Rooftop Surface certain improvements (the "Agency's Improvements") which will be comprised of an area to be used for open space purposes and an elevated pedestrian bridge spanning Howard Street and connecting to the Convention Center Rooftop Surface adjacent to Fourth Street (and at the Agency's option, an additional bridge adjacent to Third Street). Developer will develop on the Developer's Rooftop Surface certain improvements to be used for retail and ARE purposes (the "Developer's Improvements").

E. Each party acknowledges and agrees that the respective development of the City's Improvements, Agency's Improvements and Developer's Improvements will necessarily and unavoidably cause some inconvenience and possible interference with the development activities of the other parties, and with the on-going operation and use of the Convention Center and any other improvements already completed on the CB-3 Property. It is the purpose and intent of this Agreement to minimize such inconvenience and interference to the extent reasonably possible by coordinating the respective development and use activities of the City, Agency and Developer with respect to the CB-3 Property.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, and other valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

Coordination Meetings

1.01. Appointment of Representatives. Each of the parties hereto shall designate and maintain at all times during the term of this Agreement a project representative ("Representative"), and an alternate for such Representative ("Alter-

nate"), who shall be authorized to attend meetings and act for such party in respect of any matters that are the subject of this Agreement. The parties' respective initial representatives and alternates shall be:

City:	Representative --	_____
	Alternate --	_____
Agency:	Representative --	_____
	Alternate --	_____
Developer:	Representative --	_____
	Alternate --	_____

Each party may at any time and from time to time change its Representative or Alternate by notice to the other parties given as provided in Section 3.02.

1.02. Meetings. The Representatives of the parties shall schedule meetings from time to time as they shall deem necessary to coordinate the development of the parties' respective improvements on the Convention Center Rooftop Surface as the same relate to one another and to the operation and use of the Convention Center and of any of the City's Improvements, Agency's Improvements or Developer's Improvements already completed. Such meetings shall be held regularly and frequently as deemed necessary by one or more of the parties during any period of development of a party's improvements on the Convention Center Rooftop Surface. The place and time for each meeting shall be agreed to by the Representatives.

1.03. Purpose of Meetings. It is the intent of the parties that their Representatives shall at all times act in good faith and in a diligent manner to avoid, to the extent reasonably possible, conflicts between the development of each party's respective portion of the Convention Center Rooftop Surface, and both: (a) the development of the other parties' respective portions of the Convention Center Rooftop Surface; and (b) the use and operation of the Convention Center (and of any of the City's Improvements, Agency's Improvements or Developer's Improvements that are already completed) for the purposes for which such improvements were designed and constructed.

1.04. Schedules.

(a) The Representatives of the parties shall provide each other with schedules in accordance with the provisions of this Paragraph 1.04. Such schedules shall be provided monthly; provided, however, that the parties acknowledge that there may, from time to time, be a period during the term of this Agree-

ment when no development activity will be conducted with respect to the CB-3 Property, and that such monthly schedules shall not be required until sixty (60) days prior to the date that development activity will be commenced by a party. Each party agrees to give the other parties at least sixty (60) days advance notice of the date on which development activity is scheduled to be commenced by such party. Schedules provided by the parties shall be updated as reasonably necessary to reflect significant changes to conditions or plans.

(b) City's Representative shall provide a schedule of conventions, shows and other events then known or contemplated to be held at the Convention Center for the following period of not less than one (1) year, together with an estimate of the number of people expected to visit or use the Convention Center for each such convention, show or event, and an estimate of the times and duration of any special set up or other preparatory activities, and any take down or other close down activities, associated therewith. Said schedule shall also include a narrative section discussing any special or unusual requirements or activities that might necessitate reasonable precautions for or reasonable restrictions on any other activities to be held or conducted on the CB-3 Property at or around the time as any of such conventions, shows or events, whether in respect of access, crowding, noise or other disturbance, or other potential conflicts of any nature.

(c) Each Representative shall provide, for the respective improvements developed or operated on the Convention Center Rooftop Surface by the party on whose behalf such Representative is acting, a schedule of any and all significant testing, construction or user activity then known or contemplated to be undertaken for or in connection with such improvements for the following period of not less than three (3) months, together with a description of any special or unusual requirements or activities relating thereto then known or contemplated that might require any reasonable precautions for or reasonable restrictions on any other activities to be held or conducted on the CB-3 Property during the same time period, whether in respect of access, crowding, noise or other disturbance, or other potential conflicts of any nature.

(d) The parties agree to use their best efforts to minimize to the extent reasonably possible any significant change in the schedules delivered pursuant to this Paragraph 1.04 that could foreseeably impact in an adverse manner the development, operation or use of the Convention Center or, the City's Improvements, Agency's Improvements, or Developer's Improvements. Each party further agrees to make any changes to its schedules only upon reasonable advance notice to the other parties (except in case of an emergency or necessity), and to

make reasonable efforts to accommodate any rescheduling changes of the other parties as contemplated in this Paragraph 1.04.

(e) In the event any party believes that it will be necessary for another party to take reasonable precautions or to abide by reasonable restrictions under this Paragraph 1.04, such party shall provide the other parties with specific suggestions regarding such precautions or restrictions. In determining the reasonableness of a party's attempt to avoid significant changes to the schedules provided by the parties under this Paragraph 1.04, the parties agree to consider, among other things: (i) the stage of development of each of the parties' respective portions of the Convention Center Rooftop Surface; and (ii) the nature and degree of the inconvenience or interference caused by the conflict between schedules in relation to the benefits arising from the requested precaution or restriction.

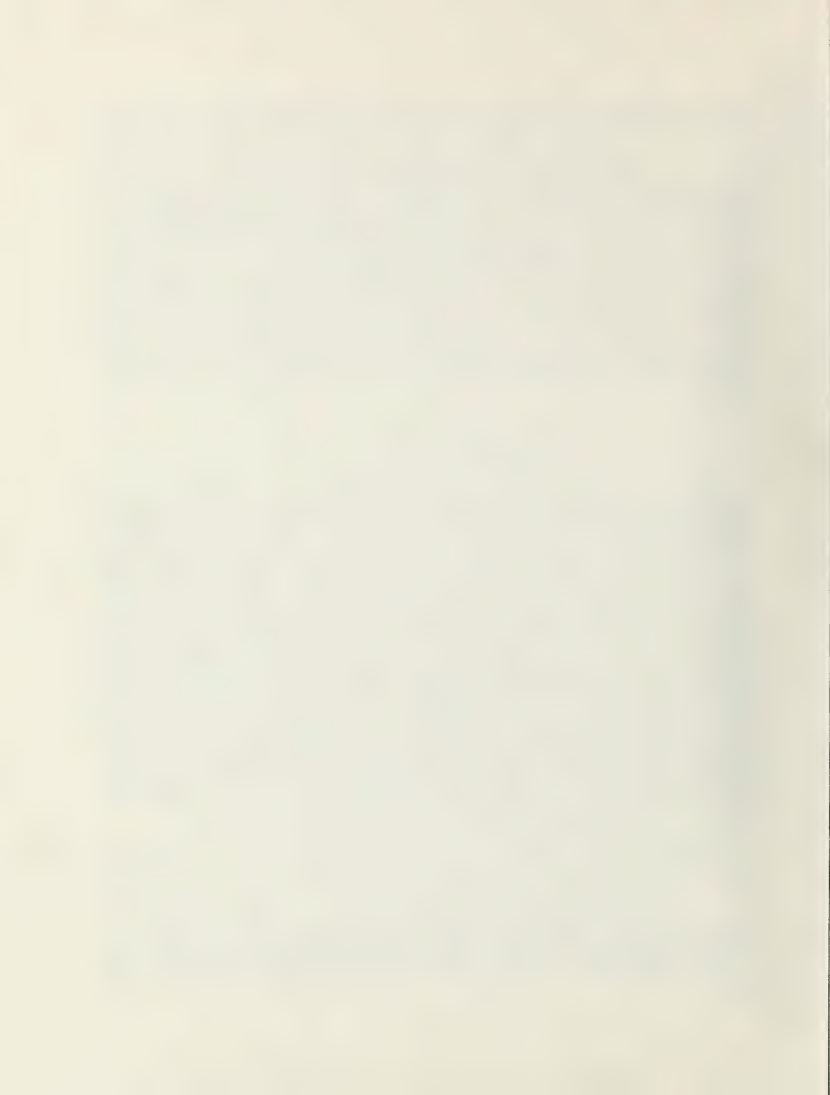
ARTICLE II

Development and Construction

2.01. Access and Inspection. Each party agrees to provide each other party with reasonable access to its respective portion of the Convention Center Rooftop Surface for the purpose of determining whether and to what extent any development or construction activities by such party might affect the improvements of such other party on the CB-3 Property (which in the case of City as the entering party shall include the Convention Center). Such entry shall be only after reasonable notice to the affected party and, if required by the affected party, shall be in the company of a representative of the affected party. Any entry onto another party's portion of the Convention Center Rooftop Surface shall, to the fullest extent permitted by law, be at the entering party's sole risk, and such entering party shall, to the fullest extent permitted by law, indemnify and hold harmless the other party from and against any and all injuries, damages, claims, liabilities and expenses (including without limitation reasonable attorneys' fees) attributable to the acts or omissions of the entering party, its agents or representatives, while on the other party's portion of the Convention Center Rooftop Surface.

2.02. Construction Activities. Except where reasonably necessary by the nature of the development work to be done:

(a) Each party agrees to use its best efforts to keep all construction personnel working on its improvements, and all construction equipment and supplies, out of the entrance areas and interior areas of the Convention Center and off the respective portions of the CB-3 Property of each other party.



(b) Each party agrees to use its best efforts during the course of development of its improvements to minimize or otherwise mitigate to the extent feasible any potential interference with or disruption of the development, use or operation of the Convention Center, and any of the City's Improvements, Agency's Improvements or Developer's Improvements. Without limiting the foregoing, each party recognizes the need at all times to preserve free and unimpeded access to and from the lobby of the Convention Center and to and from the improvements of each party on the Convention Center Rooftop Surface to the maximum extent feasible and consistent with the orderly and timely completion of each such party's development activities. Each party agrees to use its best efforts not to interfere in any substantial manner with such access and, to the extent economically feasible, to cooperate in arranging for reasonable temporary alternative access should its development activities cause any such substantial interference. The parties acknowledge that access through CB-1 or CB-2 to the Convention Center and other portions of the CB-3 Property may be completely blocked during development of those portions of the Yerba Buena Gardens, and that only alternative access from Market Street on the perimeter streets will be available.

(c) Each party agrees to use its best efforts to:

(1) schedule construction deliveries, as well as any service and freight loading activities, at times and in locations that will minimize any reasonably avoidable interference with the operation and use of the Convention Center and the other improvements on the CB-3 Property;

(2) keep the traffic lanes closest to the Convention Center on Howard and Folsom Streets clear of construction, service and delivery vehicles;

(3) maintain reasonable and unobstructed holding or staging areas on the streets surrounding the Convention Center for the use of buses, shuttles and taxis;

(4) take reasonable precautions to mitigate the adverse impact of development activities that are particularly noisy, dusty, or involve vibrations or other potential irritants, and to schedule such activities in a manner and at times that will minimize any inconvenience or annoyance to users of the Convention Center or any other improvements on the CB-3 Property;

(5) direct construction equipment storage and worker parking to areas other than the streets immediately surrounding the Convention Center;



(6) keep Howard Street in front of the Convention Center open and clear during Convention Center operating hours;

(7) keep the sidewalk areas of Howard Street in front of the Convention Center, and at least one sidewalk along Third and Fourth Streets between Market Street and Central Block 3, open for reasonable access to and from the Convention Center and the CB-3 Property;

(8) provide such security guards, lighting, and other security as shall be required to protect and secure any construction carried out by such party on the CB-3 Property, and any associated equipment and materials; and

(9) maintain any construction sites, barricades and fences in a neat, clean and orderly condition as the nature of each party's construction activities may permit.

ARTICLE III

Miscellaneous

3.01. Term. The term of this Agreement shall commence on the date each party has signed this Agreement and shall continue until the date on which a certificate of completion has been filed for each of the City's Improvements, Agency's Improvements and Developer's Improvements.

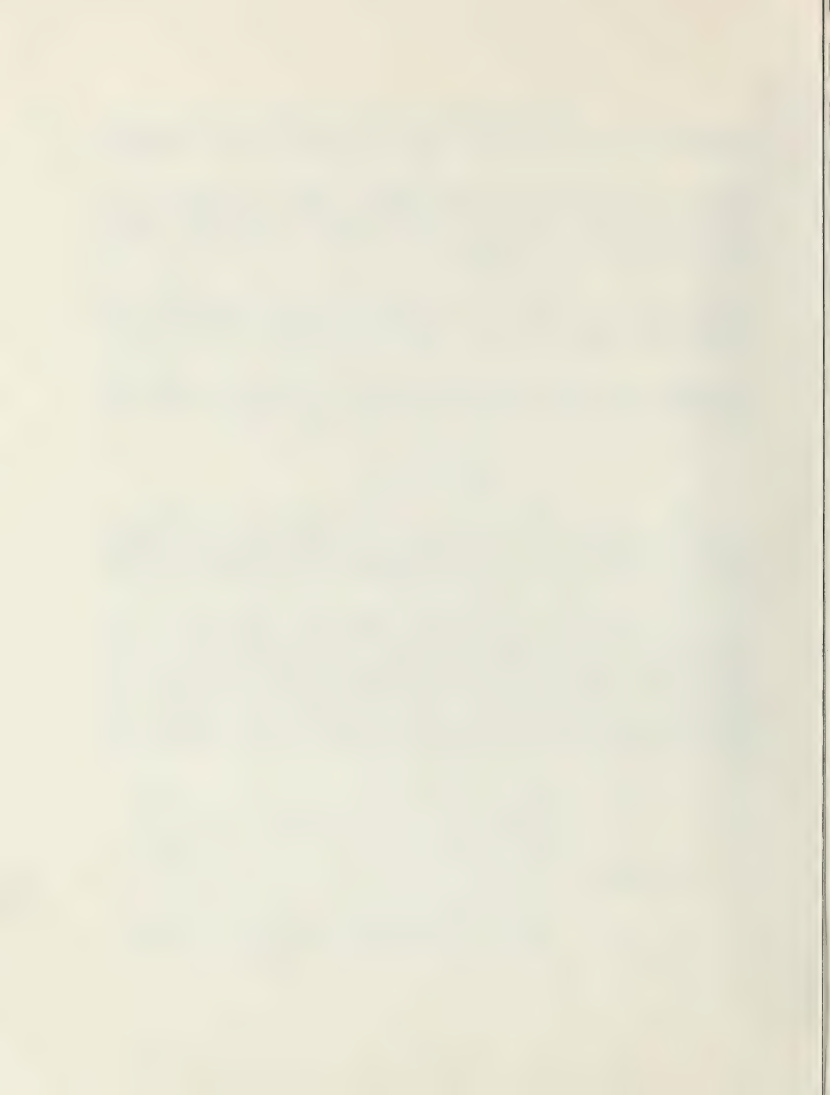
3.02. Notices. All notices, demands or requests provided for or permitted to be given pursuant to this Agreement must be in writing, and shall be given or served by personal delivery or by depositing the same in the United States Mail, postage prepaid and registered or certified with return receipt requested, to the parties at the addresses set forth in this Paragraph 3.02, or to such other address in San Francisco as any party may hereafter notify the others in the manner provided herein.

City:

Attn: _____

Agency:

Attn: _____



Developer: _____

Attn: _____

Notwithstanding the foregoing, notice of a meeting to be held pursuant to Paragraph 1 may be provided by telephone.

3.03. Interpretation. The captions of the Paragraphs and Subparagraphs of this Agreement have been inserted solely as a matter of convenience and such captions in no way define or limit the scope or intent of any provision of this Agreement. As used herein, the term "including" shall be deemed in all instances to be followed by the words "without limitation." All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders; and the singular shall include the plural, and vice versa.

3.04. Successors and Assigns. The terms, covenants and conditions contained in this Agreement shall bind and inure to the benefit of each of the parties and their respective successors and assigns. The parties hereto expressly acknowledge that if during the term of this Agreement any person or entity succeeds to the development rights or obligations of a party with respect to the CB-3 Property, such person or entity shall be substituted in as a party to this Agreement in place of the party whose rights or obligations to which such person or entity has succeeded; provided, that such substituting party shall not be liable for any obligations arising under this Agreement prior to the date of substitution. Each party hereto agrees to require such substitution as a condition of any assignment of its development rights or obligations with respect to the CB-3 Property and to execute such documents and instruments as are reasonably necessary to evidence or accomplish any such substitution.

3.05. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

3.06. No Joint Venture. Nothing herein contained shall be deemed to make the parties partners or joint venturers or to create any relationship of principal and agent, but rather the relationship of the parties shall be that of separate, independent contracting parties, and no party shall have any authority



to commit or bind any other party without such other party's consent.

3.07. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

3.08. Attorneys' Fees. In the event that as a result of a court action or arbitration pursuant to Section 3.09(c) any party has been held to have failed to perform any of its obligations under this Agreement ("defaulting party") or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, and as a result of a court action or arbitration pursuant to Section 3.09(c) a party does not prevail in such dispute ("non-prevailing party"), such defaulting or non-prevailing party shall pay any and all costs and expenses incurred by the other parties in enforcing or establishing its rights hereunder by litigation or arbitration, including, without limitation, court costs and reasonable attorneys' fees.

3.09. Remedies.

(a) In the event that any party asserts that a breach of this Agreement has occurred, such party shall provide written notice to the party assertedly not performing its obligations hereunder, as well as to the other party. If the party in default has not cured the default to the reasonable satisfaction of the party providing notice thereof within thirty (30) days, or does not commence to cure such default within such period and thereafter diligently proceed to cure, the party asserting the default shall be entitled to exercise the remedies provided for in this Paragraph 3.09.

(b) The parties agree that damages will be an inadequate remedy for a breach or threatened breach of this Agreement, and agree that the covenants and obligations set forth herein may be determined by arbitration pursuant to Paragraph 3.09(c), or enforced by specific performance or injunctive relief through court action. All parties to this Agreement must be joined in any such arbitration proceeding or court action. No party shall be entitled to recover damages from another party for breach of this Agreement, except as expressly provided in Paragraphs 2.01 and 3.08.

(c) Any arbitration pursuant to this Agreement shall be conducted in accordance with the provisions of the Agreement to Lease, which arbitration provisions are incorporated by reference.

3.10. Amendments. Neither this Agreement nor any of the terms or conditions hereof may be terminated, amended, modified



or waived, except by an instrument in writing signed by all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE CITY AND COUNTY OF
SAN FRANCISCO, a municipal
corporation, and a chartered
city and county of the
State of California

Approved as to form:

CITY ATTORNEY FOR THE CITY
AND COUNTY OF SAN FRANCISCO

By _____
Its _____

THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF
SAN FRANCISCO, a redevelopment
agency and public body,
corporate and politic

Approved as to form:

ATTORNEYS FOR AGENCY

By _____
Its _____

YBG ASSOCIATES, a California
limited partnership

By: Olympia & York California
Equities Corp., a
Delaware corporation,
General Partner

By _____
Its _____



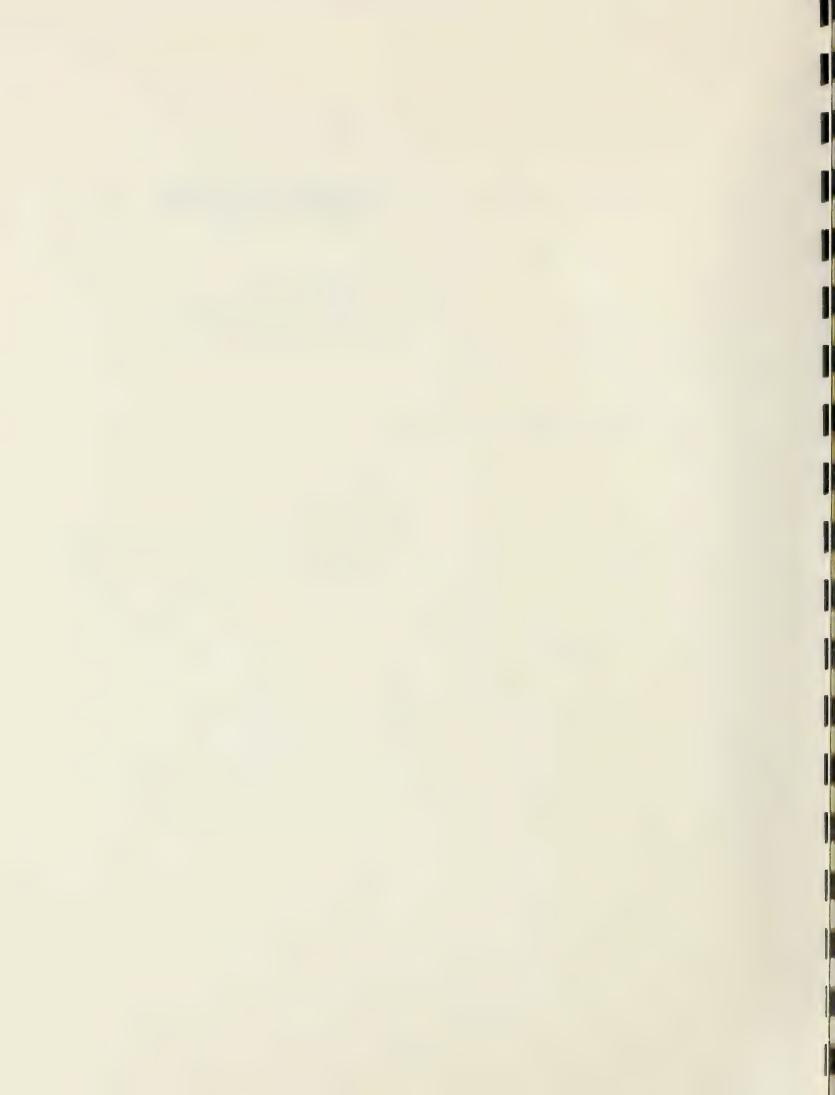
-AND-

By: Marriott Corporation, a
Delaware corporation,
General Partner

By _____

Its _____

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YERBA BUENA GARDENS

AGREEMENT TO LEASE
(CB-3 Property)

BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO

AND

THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO

AND

YBG ASSOCIATES,
a California limited partnership

Dated _____, 1984

ATTACHMENT NO. 26(B)

TO
DDA

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AGREEMENT TO LEASE

THIS AGREEMENT TO LEASE (the "Agreement") is made as of the ____ day of _____, 1984, by and between THE CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, and a chartered city and county of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California ("City"), the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a redevelopment agency and public body, corporate and politic ("Agency"), and YBG ASSOCIATES, a California limited partnership, the general partners of which are Olympia & York California Equities Corp. and Marriott Corporation ("Developer").

RECITALS:

A. Pursuant to a certain Project Lease, dated April 1, 1979 (the "CB-3 Project Lease"), City leased from Agency certain real property located in the City and County of San Francisco, State of California, commonly known as Central Block 3 of the Yerba Buena Center Redevelopment Area and more particularly described in the CB-3 Project Lease (the "CB-3 Property").

B. City has leased the CB-3 Property subject to the terms and conditions of the redevelopment plan for the Yerba

Buena Center Redevelopment Project approved by the Board of Supervisors of the City and County of San Francisco by its Ordinance No. 98-66, adopted April 25, 1966, as amended through the date of the CB-3 Project Lease (the "Redevelopment Plan").

C. Pursuant to the terms of the CB-3 Project Lease and in accordance with the Redevelopment Plan, City has constructed on the CB-3 Property certain buildings, improvements, facilities and appurtenances consisting of a convention center structure commonly known as George R. Moscone Convention Center (the "Convention Center"), and service areas, public areas and accessways serving the Convention Center. Such buildings, improvements, facilities and appurtenances are defined in the CB-3 Project Lease as the "Facilities," and are referred to herein as the "Convention Center Facilities."

D. The Convention Center has been constructed substantially below the grade of the streets bordering the CB-3 Property and in such a manner that the surface area of the roof thereof (constituting an area of approximately 300,000 square feet) can accommodate the construction of certain additional improvements thereon, subject to load disbursement and other structural design and engineering constraints. The entire surface area of the roof of the Convention Center, together with an extension of such surface over the air space above certain portions of the CB-3 Property adjoining the Convention

Center and situated between the Convention Center and the adjoining streets, the location of which is generally shown on Exhibit A attached hereto and made a part hereof, is hereinafter referred to as the "Convention Center Rooftop Surface."

E. Agency desires to enter into a lease with City of a certain portion of the Convention Center Rooftop Surface and the air space above same, the location of which is generally shown on Exhibit A and is more particularly described on Exhibit B attached hereto and made a part hereof ("Leased Rooftop Surface"). Said lease (the "Agency Lease") is to be entered into in connection with and as a part of the development of the Yerba Buena Gardens pursuant to a Disposition and Development Agreement ("DDA") between the Agency and the Developer, executed by the Developer as of October 15, 1984. Pursuant to the DDA Agency desires (1) to enter into a sublease with the Developer ("Developer Sublease") of a portion of the Leased Rooftop Surface, the location which is generally shown as ARE and Retail Parcels on Exhibit A and is more particularly described on Exhibit C attached hereto and made a part hereof ("Developer's Rooftop Surface") and (2) to retain the balance of the Leased Rooftop Surface, the location of which is generally shown as Garden Parcels on Exhibit A and is more particularly described on Exhibit D attached hereto and made a part hereof ("Agency's Rooftop Surface") for development of the "CB-3 Gardens" as described in the DDA (the "Gardens").

F. Agency's and Developer's developments are to be carried out in accordance with the DDA. That portion of the Convention Center Rooftop Surface other than the Leased Rooftop Surface (the "City's Rooftop Surface") is to be retained by City and used for such purposes as are described in the Agency Lease, including the construction, operation, maintenance, repair and use of meeting rooms and associated amenities for persons using the Convention Center. The location of the City's Rooftop Surface is generally shown as Convention Center Meeting Rooms on Exhibit A and is more particularly described on Exhibit E attached hereto and made a part hereof.

G. During the term of the CB-3 Project Lease: fee title to the Convention Center Facilities is vested in Agency and Agency has leased the entirety of the CB-3 Property and Convention Center Facilities to City pursuant to the terms provided therein; and the Agency Lease to be entered into between City and Agency will constitute a sublease of a part of City's leasehold estate in the CB-3 Property and Convention Center Facilities. Except as otherwise provided in the CB-3 Project Lease, upon the expiration of the CB-3 Project Lease: fee title to the CB-3 Property and the Convention Center Facilities will vest in City; and the Agency Lease will remain in effect for the balance of the term thereof, as is more specifically provided for in the Agency Lease.

H. City acknowledges that as of the date hereof it has approved the proposed scope of development and conceptual plans for the improvements to be constructed by Developer on the Developer's Rooftop Surface (the "CB-3 Developer's Improvements"); City and Developer acknowledge that as of the date hereof they have each approved the proposed scope of development and conceptual plans for the improvements to be constructed by or for Agency on the Agency's Rooftop Surface (the "CB-3 Agency Improvements"); and Developer acknowledges that as of the date hereof it has approved the proposed scope of development and conceptual plans for the improvements to be constructed by City on the City's Rooftop Surface (the "CB-3 City Improvements"). All of the above referenced scopes of development and conceptual plans have been submitted to the Agency, which has the ultimate responsibility for review and approval of the development programs and plans for the development of the Convention Center Rooftop Surface in accordance with and subject to the limitations of the DDA.

I. City acknowledges that as of the date hereof it has approved the schedules for the preparation and submission of Construction Documents (as defined in the DDA) and for the commencement and completion of the CB-3 Developer Improvements and the CB-3 Agency Improvements as set forth in the Schedule of Performance (Attachment No. 6 to the DDA), which is subject

to applicable force majeure provisions and extensions as provided in the DDA.

J. The purpose of this Agreement is to set forth the conditions, and the respective rights and obligations of the parties, for the simultaneous conveyance by the City of the Agency's leasehold under the Agency Lease and by the Agency of the Developer's subleasehold under the Developer Sublease. As between the Agency and Developer, this Agreement implements and augments the provisions of the DDA with respect to the CB-3 Parcel (as defined in the DDA). In the event the Developer is relieved of its obligation under this Agreement to enter into the Developer Sublease, the Developer shall be relieved also of such obligation under the DDA, subject to the provisions of Section 9(d) hereof, if applicable.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, and other valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Agreement to Lease. City and Agency agree to enter into the Agency Lease for the Leased Rooftop Surface, in accordance with and upon satisfaction of the terms and conditions set forth in this Agreement. The Agency Lease shall be execut-

ed in the form attached to the DDA as Attachment No. 27, subject to the provisions of Section 12(p) hereof.

Agency and Developer agree to enter into the Developer Sublease for Developer's Rooftop Surface concurrently with the execution of the Agency Lease, in accordance with and upon satisfaction of the terms and conditions set forth in this Agreement and subject to Section 2.01.5 of the DDA. The Developer Sublease shall be executed in the form attached to the DDA as Attachment No. 7C, subject to the provisions of Section 12(p) hereof. City acknowledges that as of the date hereof it has approved the form and content of the Developer Sublease, subject to the provisions of Section 12(p) hereof.

Pursuant to Section 4.31 of the DDA, at the time of execution of the leases and agreements, referred to herein, including, without limitation, the Easement Agreement, appropriate final Site Plans and conformed legal descriptions will be attached thereto as Exhibits.

2. Delivery and Effective Date of the Leases. The Agency Lease and Developer Sublease shall be and become effective upon and as of, the date (the "Commencement Dates") on which both the Agency Lease and Developer Sublease are fully executed and delivered, in accordance with the terms of this Agreement.

3. Conditions to Execution of Leases. The events specified in this Paragraph 3 shall be conditions precedent to the execution and delivery of the Agency Lease and the Developer Sublease. Any such condition may be waived only by the party or parties specified in Section 12(i) hereof. City, Agency and Developer shall each give the other written notice of the satisfaction of each condition precedent to the execution and delivery of the Agency Lease and/or the Developer Sublease promptly upon the occurrence thereof.

(a) Exercise of Option for Phase 2. The Developer shall have exercised its option for Phase 2 (as defined in the DDA) in accordance with the DDA.

(b) Lease between Agency and Developer. Concurrently with the execution and delivery of the Agency Lease, Agency and Developer shall have entered into the Developer Sublease for the Developer's Rooftop Surface, retaining in Agency the Agency's Rooftop Surface for purposes of constructing, operating, securing, repairing and maintaining thereon the Gardens.

(c) Coordination Agreement. Not later than ninety (90) days prior to the scheduled commencement of construction of the first to commence of the CB-3 City Improvements, CB-3 Agency Improvements or CB-3 Developer Improvements and, in any event, prior to and as a condition to the execution and

delivery of the Agency Lease and the Developer Sublease, City, Agency and Developer shall each have executed and delivered a Coordination Agreement in the form attached to the DDA as Attachment No. 26A (the "Coordination Agreement"), subject to the provisions of Section 12(p) hereof.

(d) Easement Agreement. Concurrently with the execution and delivery of the Agency Lease and Developer Sublease, Agency, City and Developer shall have entered into an agreement (the "Easement Agreement") subjecting the Convention Center Rooftop Surface and other portions of the CB-3 Property as described therein to certain easements, restrictions and covenants for the mutual benefit of the parties thereto, in the form attached to the DDA as Attachment No. 28, subject to the provisions of Section 12(p) hereof. The Easement Agreement shall be recorded immediately following the recordation of the Agency Lease and the Developer Sublease and shall be superior, according to its terms, to both the Agency Lease and the Developer Sublease.

(e) Intentionally Omitted.

(f) Plans and Specifications.

(1) City, Agency and Developer shall each, as applicable, have approved and/or have had the right to comment

on the Construction Documents (as defined in the DDA) for the improvements to be constructed on the Convention Center Rooftop Surface by each of the parties in accordance with and subject to the scope of review, standards and limitations applicable to each of the parties as set forth (as between the Agency and Developer) in the DDA and (as between the City, Agency and Developer) in the Agency Lease, the provisions of Paragraph 9 of such Agency Lease (together with applicable force majeure provisions of the Agency Lease) being incorporated herein by reference and made a part hereof and being fully operative between the parties for purposes of this Section 3 (f).

(2) Within 180 days from the Effective Date of the DDA (as defined in the DDA), the City shall have authorized funds for and commenced to prepare the Construction Documents for the CB-3 City Improvements on the City's Rooftop Surface. The City's Construction Documents, if authorized, shall be submitted to the Agency for approval within the same time periods as set forth in the Schedule of Performance (Attachment No. 6 to the DDA) for the submission of the Developer's and Agency's Construction Documents for the CB-3 Property. If the City does not make such authorization within 180 days from the Effective Date of the DDA, the City shall negotiate in good faith with the Agency and Developer for the lease and development of the entire Convention Center Rooftop Surface; provided, however, that the failure or inability of the City to authorize

or proceed with Construction Documents for or the contemplated development of the CB-3 City Improvements to the City's Rooftop Surface, or the failure of the aforesaid good faith negotiations for the lease and development of the entire Convention Center Rooftop Surface, shall not excuse or delay the City, Agency or Developer from proceeding to lease and develop the Leased Rooftop Surface and sublease and develop Developer's Rooftop Surface, pursuant to the DDA and this Agreement. If the City does not timely comply with the foregoing provisions of this Section 3(f)(2), the City's Rooftop Surface, whether or not City develops City's Improvements thereon, shall be subject to the applicable provisions of the Agency Lease.

(3) Following the date hereof and continuing until the Commencement Date, City, Agency and Developer shall have submitted the various Construction Documents to each other, for comments or approvals thereof, all as expressly required under the terms of and within the times and subject to the scope of review, standards and limitations set forth in the DDA (as to Developer and Agency only) and (as to all parties) the Agency Lease provisions which are incorporated herein by reference.

(g) DDA Provisions. The DDA as approved by the Agency shall be in full force and effect as to the CB-3 Parcels, neither Agency nor Developer shall be in default as to an

event which constitutes a failure of condition for conveyance of the CB-3 Parcels from the Agency to the Developer under the DDA, and all other conditions in the DDA to the conveyance of the CB-3 Parcels, including, but not limited to, Sections 2.01.3, 2.11.1 and 2.11.2 of the DDA, shall have been satisfied or waived.

(h) Schedules. Agency shall have approved the construction schedule for the commencement and completion of the CB-3 City Improvements. Such schedule and the schedules for the commencement and completion of the CB-3 Agency Improvements and CB-3 Developer Improvements in the Schedule of Performance (Attachment No. 6 to the DDA) are subject to the applicable force majeure provisions of the Developer Sublease and the Agency Lease, respectively, and to extensions as provided in the DDA.

(i) Title Insurance. The CB-3 Property shall be subject to no defects in or encumbrances of title other than those set forth in the Approved Title Exceptions (Attachment No. 13 to the DDA), as applicable to the Convention Center Rooftop Surface. Agency shall, on the Commencement Date, at no cost to City (and subject to the limitation of \$30,000 for Developer costs for Agency insurance as set forth in Section 2.05 of the DDA), have received a standard leasehold policy of title insurance, with such reinsurance and direct access

agreements and such additional endorsements and coverage as the Agency may reasonably request and as may be acceptable to Ticor Title Insurance Company ("Title Company"), issued by Title Company, in the amount designated by the Agency which is satisfactory to the Title Company, insuring Agency's leasehold interest in the Leased Rooftop Surface arising under the Agency Lease, free and clear of liens or encumbrances other than Approved Title Exceptions. Developer shall receive the policy of title insurance for Developer's Rooftop Surface required pursuant to the DDA. City, Agency and Developer shall each receive, in an amount designated by each of the parties which is acceptable to the Title Company, title insurance policies issued by the Title Company, with such reinsurance and direct access agreements as each of the parties may reasonably request, insuring each of the parties' rights, liens and priority under the Easement Agreement, plus any special endorsements for the Developer as set forth in the DDA. Each party shall determine the satisfaction of the foregoing conditions, as applicable to it. The provisions of this Section 3(i) are subject to extension as provided in the DDA.

(j) No Litigation. There shall not be pending any litigation or other legal or administrative action or proceeding, whether for legal or equitable relief, challenging the validity or enforceability of this Agreement, the Agency Lease,

the Developer Sublease, the Coordination Agreement, the Easement Agreement, the DDA or any other agreement entered into, or to be entered into, in connection with the Yerba Buena Center Redevelopment Project and affecting any or all of Central Blocks 1, 2 or 3 or any improvements thereon; or challenging in any manner the development, construction, operation, use or occupancy of the CB-3 City Improvements, the CB-3 Agency Improvements, and/or the CB-3 Developer Improvements, which, if decided adversely to City, Agency or Developer, would materially adversely affect the rights of City, Agency or Developer under any of the aforesaid leases and agreements pertaining to their respective interests in the CB-3 Property; provided, however, that if any such litigation or administrative proceeding pertains only to the CB-3 City Improvements and does not affect the ability of the parties to enter into and carry out the terms of the Agency Lease and Developer Sublease, then, at the sole option of the Agency, the City, Agency and Developer shall proceed notwithstanding said litigation or administrative proceeding to enter into the Agency Lease and the Developer Sublease in accordance with the terms hereof.

(k) Attorneys' Opinions.

(1) City shall have received, concurrently with the closing of the transactions contemplated hereby, favorable opinions of counsel for Agency and Developer, said opinions to

be rendered by counsel and to be in form and substance reasonably satisfactory to City, to the effect that this Agreement, the Agency Lease, the Coordination Agreement, the Developer's Sublease, the Easement Agreement and any other documents or agreements contemplated hereby to be delivered by Agency or Developer prior to or at the closing of the transactions contemplated hereby (collectively, the "Development Documents"), (A) have been duly authorized, executed and delivered by Agency and/or Developer, as applicable, (B) are legal, valid and binding obligations of Agency and/or Developer, as applicable, enforceable in accordance with their respective terms subject to customary bankruptcy and similar exceptions, (C) will not, to the knowledge of counsel rendering the opinion, result in any default under any agreement by which Agency or Developer, as applicable, is a party, or by which either such entity is otherwise bound, and (D) no further consent or approval of any third party, to the knowledge of counsel rendering the opinion, is required for the performance of any of the obligations of the Agency or Developer, as applicable, under the Development Documents; provided that such opinions need not include an opinion on matters which are subject to the representations made pursuant to Section 3(q) and 12(n) hereof. Such opinions shall have been tendered by Agency to City and also to Developer with respect to those Development Documents to which Agency is party and by Developer to City and also to Agency with

respect to those Development Documents to which Developer is a party.

(2) Agency and Developer shall have received, concurrently with the closing of the transactions contemplated hereby, favorable opinions of counsel for the City, said opinions to be rendered by counsel and to be in form and substance reasonably satisfactory to each the Agency and Developer, to the effect that the Development Documents (A) have been duly authorized, executed and delivered by City, (B) are legal, valid and binding obligations of City, enforceable in accordance with their respective terms subject to customary bankruptcy and similar exceptions, (C) will not, to the knowledge of counsel rendering the opinion, result in any default under any agreement by which City is a party, or by which the City is otherwise bound, and (D) no further consent or approval of any third party, to the knowledge of Counsel rendering the opinion, is required for the performance of any of the City's obligations under the Development Documents; provided that such opinions need not include an opinion on matters which are subject to the representations made pursuant to Sections 3(q) and 12(n) hereof. Such opinions shall have been tendered by City to Agency and Developer with respect to those Development Documents to which City is a party.

(l) CB-3 Project Lease. If, for any reason, any amendment of or consent or approval under the CB-3 Project Lease would be required for the valid, lawful or timely performance of the obligations of City, Agency or Developer under any of the Development Documents, such amendment shall have been entered into in form and substance satisfactory to the City and Agency, and any such consent or approval shall have been obtained.

(m) Agency Commitment of Funds. Agency shall have committed funds (including City funds to be provided pursuant to Section 3(r) hereof) for the construction of the CB-3 Agency Improvements within the time and in the manner required pursuant to the DDA. Agency hereby agrees that City shall have the right, but not the obligation, to provide the funds (in addition to City funds to be provided pursuant to Section 3(r) hereof) necessary to construct the CB-3 Agency Improvements. Agency agrees to use its best efforts to notify the City in a timely manner of its prospective inability to commit funds for the construction of the CB-3 Agency Improvements, with supporting detail, so that City can determine, in a timely manner, whether to provide such funds as herein provided. In the event City provides the funds necessary to construct the CB-3 Agency Improvements, Agency shall repay City for such expenditure, together with interest, as soon as it is lawfully able to do so, consistent with the Agency's undertakings pursuant to the

DDA and all leases and agreements entered into pursuant to the DDA, including, without limitation, the Agency Lease, Developer Sublease and Easement Agreement. Prior to the later of (i) City providing such funds to Agency or (ii) the Commencement Date, City and Agency shall have established the terms and conditions upon which Agency shall make such reimbursement. All documentation with respect to the Agency's obligation to reimburse City shall be in form and substance satisfactory to City and Agency and their respective counsel.

(n) City Commitment of Funds. City shall have committed funds, by authorization or appropriation of the Board of Supervisors or by the issuance and sale of bonds for such purpose, to the reasonable satisfaction of the Agency, for the construction of the CB-3 City Improvements to the Convention Center Rooftop Surface.

(o) No Termination. The applicable provisions of Sections 4, 6 or 9 shall have not have resulted in a termination of this Agreement.

(p) Non-Disturbance and Attornment Agreement. City and Developer shall have executed and delivered to each other a non-disturbance and attornment agreement in the form attached hereto as Exhibit F and made a part hereof, subject to the provisions of Section 12(p) hereof. City acknowledges that as

of the date hereof it has approved the form and content of the non-disturbance and attornment agreement.

(q) The representations of City and Agency in Section 12(n) hereof shall be true as of the time of closing.

(r) City shall have approved a budget prepared by Agency, at no cost to City (the "Gardens Construction Budget") for the cost and expenses of the initial development of the Gardens (as defined in the Agency Lease) in accordance with the applicable provisions of the Scope of Development (Attachment No. 5 to the DDA) and any Construction Documents (as defined in the DDA) with respect thereto that have been approved by Agency (the "CB-3 Gardens Construction Costs"); and City shall have appropriated or committed to the satisfaction of the Agency City's share of the costs provided therein, in the manner hereinafter provided. Agency shall submit a proposed Gardens Construction Budget to City at least sixty (60) days prior to the Commencement Date (as described in Section 4(a) hereof), which Commencement Date shall be specified in a written notice delivered to City along with such proposed budget with a copy of said notice to Developer. Any proposed Gardens Construction Budget shall be in sufficient detail and be supported by such bids or estimates for the work or materials included therein as are reasonably necessary to enable City to determine the reasonableness and accuracy of such proposed budget. Agency

agrees to provide such additional supporting documentation and other information as may reasonably be required by City in its review of any proposed Gardens Construction Budget.

City shall have approved or disapproved any proposed Gardens Construction Budget within thirty (30) days after submission thereof. If City disapproves a proposed Gardens Construction Budget, it shall inform Agency of the specific grounds for such disapproval and Agency shall promptly prepare and submit a revised proposed budget. The time period within which City approves or disapproves an initial proposed Gardens Construction Budget, and Agency's obligation to revise and resubmit such budget, shall also apply to each subsequent proposed budget.

Upon City's approval of a Gardens Construction Budget, City shall have promptly appropriated funds in an amount equal to forty-five percent (45%) of the total amount of the such budget for payment of the costs and expense provided for therein. City shall have obtained such appropriation on or before the Commencement Date; provided, however, that City and Agency acknowledge that it may be necessary to extend such Commencement Date, as well as the time at which City obtains such appropriation, by any time required for Agency to revise and resubmit a proposed Gardens Construction Budget and for City to approve such budget.

Nothing in this Section 3(r) is intended to modify the rights of the Agency or Developer under the DDA.

(s) City shall have been satisfied that it has obtained or can obtain insurance insuring the CB-3 Property and the Convention Center Facilities against damage or destruction caused by the development and use of the Leased Rooftop Surface as contemplated by the Agency Lease and Developer Sublease.

The provisions in this Paragraph 3 with respect to actions by the City shall be construed as conditions only, and with respect to actions by Agency and Developer, shall be construed as conditions except where the context requires a different construction.

4. Manner of Closing.

(a) Closing Notice; Final Date. Agency shall give to City and Developer not less than sixty (60) days' prior written notice (the "Closing Notice") of the date on which it proposes to execute and deliver the Agency Lease and the Developer Sublease, which date must occur no later than the final date set forth in the DDA for the conveyance of the Developer's Rooftop Surface (the DDA CB-3 Parcel) (the "Commencement Date"); subject to such extensions as provided in the DDA and this Agreement (the "Final Commencement Date"). If all conditions precedent to the execution and delivery of the Agency

Lease and Developer Sublease by a party(s), as set forth in Section 3 hereof, have not been satisfied on or before the Commencement Date (or, if applicable, Final Commencement Date), then unless such party(ies) shall mutually agree to extend the Commencement Date (or, if applicable, Final Commencement Date) for such further period(s) of time as they shall specify, this Agreement shall terminate and neither City, nor Agency, nor Developer shall have any further obligations hereunder, save and except for the performance of any indemnity obligations set forth herein and except as provided in Section 9(d) hereof.

(b) Closing Documents. Promptly upon receipt by the City and Developer of the Closing Notice, City, Agency and Developer shall proceed to verify the satisfaction or failure of the conditions precedent to the execution and delivery of the Agency Lease and Developer Sublease as set forth in Paragraph 3 hereof, and shall execute and deliver in a timely manner such closing and escrow instructions as shall be consistent with the provisions of this Agreement and the DDA.

(c) Closing Costs. City shall have no liability whatsoever for the payment of any costs or expenses of closing the transactions contemplated by this Agreement (except for opinions and costs of its counsel), including but not limited to escrow fees, title insurance premium, recording charges, real estate transfer taxes, or any other escrow or closing charges, and Agency shall pay or indemnify City against all

such costs and expenses; provided, however, that nothing herein shall be deemed to require Agency to pay any sums for or on account of the services of any salaried employees or contracting parties of City.

(d) Closing. The closing shall be accomplished on or before the Commencement Date or, if applicable, the Final Commencement Date, by the execution and delivery by City and Agency of the Agency Lease and by the concurrent execution and delivery by Agency and Developer of the Developer Sublease and by the concurrent execution and delivery by all parties of any other remaining Development Documents required hereunder for closing, and by the execution and delivery of all ancillary documents required for closing, by the respective signatory parties thereto.

(e) Delivery of Possession. Possession of the Leased Rooftop Surface will be delivered by City to Agency at the time of closing, and possession of Developer's Rooftop Surface shall be delivered by Agency to Developer at the time of closing. The Leased Rooftop Surface and Developer's Rooftop Surface shall be delivered, except as provided in Section 4(f) hereof, in an "as is" physical condition, without any warranty, express or implied, of condition, suitability or otherwise, and Agency and Developer hereby waive for each of them and all third parties claiming by, through or under them any claim for damage, loss or other detriment arising out of the condition of

the Leased Rooftop Surface and Developer's Rooftop Surface, respectively, except as provided in Section 4(f) hereof.

(f) Condition of Property. Agency and Developer hereby acknowledge that City will deliver possession of the Leased Rooftop Surface to Agency, and Agency will deliver possession of the Developer's Rooftop Surface to the Developer, and, except as expressly provided in the following provisions of this Section 4(f), that: (i) such delivery of the Leased Rooftop Surface and the Developer's Rooftop Surface will be made without representation or warranty of any kind, express or implied, on the part of City; and (ii) Agency will accept possession of the Leased Rooftop Surface and Developer will accept possession of the Developer's Rooftop Surface, Developer will have conducted a full and complete independent investigation of Developer's Rooftop Surface, and Agency will have conducted such investigation of the Leased Rooftop Surface as it deems appropriate (and City hereby consents to such investigation subject to the provisions of Sections 5(a) and (b) hereof), and each will have determined that it is suitable for Agency's and Developer's proposed uses of such property.

Not later than six (6) months after the Effective Date of the DDA (as defined in the DDA), City shall provide to Agency and Developer any engineering studies and reports regarding the load-bearing support of the Convention Center

Rooftop Surface that are available to City, and a copy of a certification from City's engineers to City of such load-bearing support. If the Convention Center Rooftop Surface does not, in fact, have the load-bearing capacity set forth in the Agency's Request for Qualifications (the "Assumed Rooftop Capacity"), as made more precise by the above referenced certification from City's engineers, then:

(A) City, Agency and Developer shall cooperate in modifying the development of their respective improvements to accommodate to the actual load-bearing capacity of the Convention Center Rooftop Surface and Developer shall explore modifications to its improvements or its program or combinations thereof to accommodate to the actual load-bearing capacity; provided that Developer shall be relieved of its obligation to enter into the Developer Sublease (and Agency shall be relieved of its obligations to enter into the Agency Lease) if it is not economically feasible for Developer to modify its improvements or its program or combination thereof because of either (i) the increase in construction costs attributable to such modifications, (ii) the reductions in size required by reason of such modifications in the Developer's program, or (iii) the failure of City to approve, to the extent City approval of such modifications is required under the provisions of the Agency Lease, such economically feasible modifications to Developer's improvements or its program. In the event of any dispute between

the Agency and the Developer under this clause (a), such dispute shall be subject to arbitration as provided in Section 8 hereof;

(B) Developer's time within which to perform its obligations with respect to the development of Developer's Rooftop Surface (as set forth in the Schedule of Performance, Attachment No. 6 to the DDA) shall be extended by the City and Agency to accommodate any delays caused by required modifications to Developer's improvements or program; and

(C) Neither Agency nor Developer shall be liable to City for any damage they may cause to the Convention Center resulting from the fact that the rooftop surface has less load-bearing capacity than the Assumed Rooftop Capacity as certified by City's engineers.

In no event shall City be liable to Agency, Developer or any other person or entity because the rooftop surface does not in fact have the Assumed Rooftop Capacity certified by the City's engineers. Agency and Developer may pursue any recourse they may have against City's engineers on account of the rooftop surface not having the load-bearing support as certified by such engineers provided that the exercise of such recourse shall be subject to City's primary recourse against such engineers to the extent necessary under the CB-3 Project Lease and

bond documents pertaining thereto to protect the interests of the Agency and City thereunder, and further provided such recourse of City shall be diligently exercised and pursued and Developer and Agency receive notice of any action or proceeding commenced by City in connection therewith. Nothing herein shall prevent Developer or Agency from joining in any such action or proceeding or concurrently enforcing their recourse against such engineers subject to the City's diligent exercise of the City's primary recourse as set forth herein.

5. Additional Covenants of the Parties.

(a) Right of Entry. Commencing upon the date hereof and continuing until the earlier to occur of the Commencement Date (or, if applicable, the Final Commencement Date) or the termination of this Agreement, Agency and Developer shall have the right, upon not less than ten (10) days' prior written notice to City, to enter upon the CB-3 Property to undertake such studies, tests, analyses and other measures as they deem appropriate to verify the suitability of the CB-3 Property for the construction of the CB-3 Developer Improvements and the CB-3 Agency Improvements, including the conducting of on-site testing or evaluation activities. Notwithstanding the foregoing, (1) Developer and Agency shall, at a reasonable time prior to any such entry, submit to City a written statement in reasonable detail describing the purpose of such entry and any

tests or other analyses to be performed during such entry, (2) the timing of such entry shall be limited to periods when, in the good faith judgment of City, no material interference with any activities in or use of the Convention Center will result, (3) no tests on or other physical intrusion into any portion of the structure of the Convention Center shall be permitted unless City shall have expressly approved, which approval shall not be unreasonably withheld, the conduct of such tests or intrusion, the nature and scope thereof, and the precise details thereof; provided, however, that in no event shall the City be required to approve such tests or intrusion if it would result in a Materially Adverse Use by Agency or Materially Adverse Structural Effect by Agency as those terms are defined in the Agency Lease. In no event shall such approval by City shall be deemed to place on the City any liability or responsibility for any loss, claim, liability, injury or damage occurring by reason of any such tests or other intrusion, and Developer and Agency shall be solely responsible and liable therefor except as limited by Section 4(f)), and (4) prior to any such entry Agency or Developer, as the case may be, shall comply with the insurance requirements set forth in Exhibit G attached hereto and made a part hereof. Such insurance, however, shall not be deemed to limit the liability of Agency or Developer under Section 5(b) hereof.

(b) Indemnity. Except as provided in Section 4(f) hereof, Developer or Agency, as applicable, shall indemnify City, in accordance with the provisions of Paragraph 7 hereof, against all claims and liabilities arising out of or in connection with any entry of Developer or Agency, as applicable, or persons acting for or on their behalf (any entry by Developer shall not be deemed to be an entry by the Agency), onto the CB-3 Property, or out of or in connection with any tests, studies, analyses, physical intrusions, or other measures undertaken or conducted on the CB-3 Property by Developer, Agency, or such persons. Without limiting the foregoing, Agency or Developer, as applicable, except as provided in Section 4(f) hereof, shall promptly repair at its sole cost and expense any and all damage to the Convention Center or any other portion of the CB-3 Property caused by the Agency or Developer, as applicable, or their respective agents, contractors or representatives, in connection with any such entry, tests, studies, analyses, physical intrusions or other measures.

6. Damage, Destruction, Taking.

(a) Termination of Agreement. If on or before the Commencement Date (or, if applicable, the Final Commencement Date) the Convention Center Facilities shall be damaged or destroyed in whole or in material part and not rebuilt or

restored, or eminent domain proceedings affecting all or any part of the CB-3 Property or the Convention Center Facilities shall have been commenced or consummated (whether by court action or conveyance in lieu of condemnation), Agency, City or Developer may elect to terminate this Agreement by written notice, such notice to be given within thirty (30) days after the commencement or consummation of eminent domain proceedings or, in the case of damage or destruction, within thirty (30) days following six (6) months after the date of such damage or destruction unless the Agency or City shall within such six (6) month period notify the other parties that it will undertake to restore the Convention Center within a reasonable time. If following such notification the Agency or the City, as the case may be, pursuant to the CB-3 Project Lease and bond documents pertaining thereto, does not commence to restore the Convention Center Facilities within a reasonable time, the City, Agency or Developer may terminate this Agreement upon the failure to so commence such restoration. The parties acknowledge that neither City nor Agency have any obligation hereunder to rebuild or restore the Convention Center Facilities. Upon any such termination by Agency, City or Developer, the parties shall be released from all further liabilities and obligations hereunder, save and except for any indemnity obligations provided for hereunder. In such event, all insurance proceeds under insurance policies maintained by City or other recoveries on account of any damage or destruction as to City's interest in the CB-3

Property and the Convention Center Facilities, and all awards or other recoveries for or on account of any taking or conveyance in lieu thereof as to City's interest in the CB-3 Property and the Convention Center Facilities, shall be and remain the sole and exclusive property of City, subject to the provisions of the CB-3 Project Lease and bond documents pertaining thereto.

(b) Continuation of Agreement. If neither Agency, City, or Developer elects to terminate this Agreement following any damage, destruction or taking as provided in Paragraph 6(a), this Agreement shall not terminate and the parties shall proceed to consummate the closing of the transactions herein contemplated in accordance with the provisions hereof, subject to any reasonable extensions of time as may be required for such restoration to be completed. In such event, unless the parties hereafter agree otherwise in writing, and subject in any event to the provisions of the CB-3 Project Lease, all insurance proceeds or other recoveries on account of any damage or destruction, and all awards or other recoveries for or on account of any taking or conveyance in lieu thereof, shall be and remain the sole and exclusive property of City.

7. Indemnity Provisions. Whenever any provision of this Agreement requires one party to indemnify the other parties against any claims and liabilities in accordance with this Paragraph 7, the party on whom the indemnification obligation

is imposed in such provision referencing this Paragraph 7 shall be obligated to indemnify and hold the other parties harmless from and against any and all claims, demands, losses, damages, liens, liabilities, injuries, deaths, lawsuits and other proceedings, judgments rendered thereon, and costs and expenses (including but not limited to reasonable attorneys' fees) arising directly or indirectly, in whole or in part, out of the act, omission, event, occurrence or condition with respect to which the indemnifying party is required to indemnify the other parties, whether such act, omission, event, occurrence or condition is caused by the indemnifying party or its agents, employees or contractors, or by any third party acting for or on behalf of the indemnifying party; provided, however, that neither party shall be obligated to indemnify the other parties against any claims, demands, losses, damages, liens, liabilities, injuries, deaths, lawsuits, proceedings, judgments, costs or expenses arising from the active negligence or willful act or omission of such other party, or such other party's agents, employees, or contractors. In any case where this Paragraph 7 is applicable, the party being indemnified may demand that the indemnifying party defend on its behalf any claim, lawsuit or other proceeding lodged or filed against it, or may elect instead, with the consent of the indemnifying party, to conduct its own defense using counsel approved by the indemnifying party (which approval shall not be unreasonably withheld), but

in either such case the indemnification provisions hereof shall be fully applicable.

8. Arbitration. The parties shall be required to arbitrate any dispute or controversy arising under this Agreement; provided, however, that no such arbitration shall supersede, as between the Agency and Developer, any arbitration or remedies available under the DDA and provided, further, that no such arbitration shall interfere with or supersede approvals which under this Agreement or the DDA are to be exercised in the sole discretion of the approving party. In the event of any arbitration pursuant to this Agreement, the arbitration shall be conducted in the City and County of San Francisco, California, by three (3) arbitrators to be appointed pursuant to and in accordance with the Rules of Commercial Arbitration of the American Arbitration Association then in effect. This agreement to arbitrate shall be self-executing. The arbitrators shall have no power to modify or enforce any provisions of this Agreement and their jurisdiction is limited accordingly. The expenses of arbitration shall be borne equally by the parties, provided that each party shall be responsible for the fees and expenses of its own experts, evidence and attorneys. Subject to the further provisions of this Section 8, any such arbitration shall be advisory as to the City if within five (5) business days of receipt of notice to the City of the referral of any dispute hereunder to arbitration the City Attorney shall in good faith render a legal opinion to the effect that with

respect to the dispute in question the City cannot lawfully submit to binding arbitration as provided herein and shall deliver a copy thereof to Agency and Developer; provided, however, that the Agency and Developer reserve the right to file and prosecute any legal proceeding to determine the issue of whether the City can lawfully submit to binding arbitration with respect to the matter in question and, if it is determined that it can, the City agrees to submit to such arbitration; and provided, further, that the time for performance of any act by Agency and/or Developer, as the case may be, shall be extended pending the conclusion of such litigation (but not beyond the Final Commencement Date), if, but only if, the subject of the arbitration in question pertains to an act which cannot reasonably be performed pending the conclusion of such litigation, and such litigation is filed in good faith and diligently pursued to conclusion.

9. Termination. (a) This Agreement may be terminated: (1) by the party or parties benefitted thereby for the failure of a condition set forth in Section 3 hereof, unless waived as provided in Section 12(i) hereof; (2) as provided in Section 6 hereof; (3) as provided in Section 9(d) hereof; or (4) by any non-defaulting party upon the occurrence of an Event of Default, as set forth in Paragraph 11 hereof, by any other party, which default is not fully cured within thirty (30) days following the giving of written notice of such default by the non-defaulting party, provided no cure period shall operate to

extend the Final Commencement Date. Subject to the limitations of this Paragraph 9, any non-defaulting party shall have the right, within the applicable cure period and upon reasonable notice to a defaulting party, to cure the default of such defaulting party.

(b) If the Developer submits evidence to the reasonable satisfaction of the Agency that, but for the provisions of Paragraph 5(f) of the Agency Lease and for no other reason, the Developer could obtain Mortgage financing (as defined in the DDA) as required and contemplated by the DDA for the development of the CB-3 Developer Improvements, the Agency and Developer for a period of ninety (90) days following such submission shall diligently and in good faith (1) seek to remove or modify in a manner acceptable to the Developer's proposed Mortgagee (as defined in the DDA) the provisions of said Paragraph 5(f) of the Agency Lease, or (2) seek to obtain the Developer's proposed Mortgagee's acceptance of said Paragraph 5(f) of the Agency Lease, or (3) seek to obtain other financing reasonably acceptable to the Developer as meeting the requirements of the DDA without the removal or modification of said Paragraph 5(f) of the Agency Lease. If, at the end of said 90-day period or such extension thereof as the Agency and Developer shall mutually agree, none of the objectives set forth in clauses (1), (2) or (3) above, shall have been achieved, the Developer shall

have the right to terminate this Agreement and its rights and obligations with respect to the CB-3 Parcel under the DDA.

(c) Except as provided in Section 9(d) hereof, the sole remedy of any party to this Agreement for a breach or failure of condition under this Agreement shall be to terminate this Agreement except for the performance of any indemnity obligations set forth herein.

(d) Notwithstanding anything in this Agreement to the contrary, if this Agreement is terminated by reason of (1) an Event of Default by Developer, as set forth in Section 11 hereof, or (2) a failure by the Developer to perform or satisfy the obligations or conditions of the DDA which gives rise to a right of the Agency to terminate the DDA pursuant to Section 9.02 thereof then, in such event, the Developer shall be deemed to be in default with respect to the CB-3 Parcels (as defined in the DDA) under the provisions of the DDA; and, if the ARE/Retail Lease or ARE Severance Lease (referred to in Section 4(a) hereof) is in effect, the Developer shall also be deemed to be in default under said ARE/Retail Lease or ARE Severance Lease to the extent that said Lease provides that a default with respect to the CB-3 Parcels constitutes an Event of Default under said Lease; and the Agency (but not the City) shall be entitled to its rights and remedies for such a default as provided in and subject to the limitations of the DDA and,

if in effect, in and subject to limitation of said ARE/Retail Lease or ARE Severance Lease.

10. Assignment. Neither City nor Agency shall have the right to assign, delegate or otherwise transfer, in whole or in part, any of its interests, rights, duties or obligations created or arising under this Agreement, either voluntarily or by operation of law, without the prior written consent of the other party (but not the Developer), which may be given or withheld in such party's sole and absolute discretion. Assignments, encumbrances and transfers by the Developer (including, without limitation, any interests under this Agreement) shall be governed solely by the DDA and, if applicable, the Developer Sublease, and City shall have no rights of review or approval with respect thereto.

11. Events of Default.

A party shall be in default hereunder if such party fails to perform any covenant of such party under this Agreement or otherwise breaches any provision of this Agreement, and fails to cure such failure or breach within ten (10) days (in the case of any monetary default or breach) or thirty (30) days (in the case of any other default or breach) after written notice from any other party.

12. Miscellaneous.

(a) Notices. All notices, demands or requests provided for or permitted to be given pursuant to this Agreement must be in writing, and shall be given or served by personal delivery or by depositing the same in the United States mail, postage prepaid and registered or certified with return receipt requested, at the addresses set forth in this Paragraph 12(a), or to such other address in San Francisco as any of said entities may hereafter notify the others in the manner provided herein.

City: City and County of San Francisco
Clerk of the Board of Supervisors
City Hall
San Francisco, California 94102

with a copy to:

Chief Administrative Officer
City and County of San Francisco
City Hall
San Francisco, California 94102

Agency: Executive Director
Redevelopment Agency of San Francisco
Secretary of the Agency
P.O. Box 646
San Francisco, California 94101

Developer: YBG Associates
A California Limited Partnership
182 Second Street
San Francisco, California
Att'n: Joseph Madonna

with a copy thereof to:

Donald M. Cahen, Esq.
Coblentz, Cahen, McCabe & Breyer
One Embarcadero Center, 35th Floor
San Francisco, California 94111

(b) Interpretation. The captions of the Paragraphs and Subparagraphs of this Agreement have been inserted solely as a matter of convenience and such captions in no way define or limit the scope or intent of any provision of this Agreement. As used herein the term "including" shall be deemed in all instances to be followed by the words "without limitation." All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders; and the singular shall include the plural, and vice versa.

(c) Successors and Assigns. Subject to Paragraph 10, the terms, covenants and conditions contained in this Agreement shall bind and inure to the benefit of each of the parties and their respective successors and assigns.

(d) Intentionally Omitted.

(e) Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

(f) Attorneys' Fees. In the event that as a result of a court action or arbitration hereunder any party has been held to have failed to perform any of its obligations under this Agreement ("defaulting party") or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement and as a result of a court action or arbitration hereunder a party does not prevail in such dispute ("non-prevailing party"), then except as provided in Paragraph 8, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay any and all costs and expenses incurred by any other party in enforcing or establishing its rights hereunder, by litigation or arbitration, including, without limitation, court costs and reasonable attorneys' fees.

(g) No Joint Venture. Nothing herein contained shall be deemed to make the parties to this Agreement joint venturers or partners or to create any relationship of principal and agent, but rather the relationship of the parties shall be that of separate, independent contracting parties, and neither shall have any authority to commit or bind the other party without such party's consent.

(h) Amendments. Neither this Agreement nor any of the terms hereof may be terminated, amended or modified except by an instrument in writing signed by all parties hereto,

except that any provision of this Agreement may be waived by the party or parties benefitted by such provision.

(i) Waiver. Waivers of the conditions of this Agreement shall be permitted only by the party or parties specified below:

(i) By the Agency, in its sole discretion, as to: (1) performance by the City under Section 3(f)(2) or (3) hereof (except as to the last sentence of Section 3(f)(2) which shall require the consent of the Developer); (2) the satisfaction or performance by the Developer of any condition under Section 3(g) hereof to be performed or satisfied by the Developer; (3) the requirements for Agency title insurance under Section 3(i) hereof; (4) performance by the City under Section 3(n) hereof; (5) performance by the City under Section 3(r) hereof; and (6) any default by Developer or failure of Developer condition benefitting the Agency not materially adversely affecting the rights of City hereunder;

(ii) By the Developer, in its sole discretion, as to: (1) the satisfaction or performance by the Agency of any condition or act under Section 3(g) to be satisfied or performed by the Agency; (2) the requirements for Developer title insurance under Section 3(i) hereof; (3) performance by City under the last sentence of Section 3(f)(2) hereof, but only

with the consent of the Agency; and (4) performance by City under Section 3(p) hereof;

(iii) By the City, in its sole discretion, as to the requirements for City title insurance under Section 3(i) hereof; and

(iv) By the mutual consent of all of the parties hereto, to be evidenced by an appropriate written amendment of this Agreement, as to any other obligation of any party or condition set forth herein.

Any waiver must be in writing and shall not be construed as a continuing waiver. No waiver will be implied from any delay or failure by a party to take action on account of any default of the other party.

(j) Consent. As used herein, wherever the consent or approval of City is required, such consent or approval must be given by the Chief Administrative Officer of the City and County of San Francisco, in addition to any consent or approval that might also be required to be given by any other official of the City and County of San Francisco, or by the Board of Supervisors of the City and County of San Francisco. The giving of consent or approval in any one or more instances

shall not be deemed to limit or excuse the need for such consent or approval in any other subsequent instances.

(k) Authority. Each party shall provide the other party with copies of all documents necessary to appoint authorized representatives who will have been granted full power and authority to execute, deliver and perform the various agreements and documents attendant to the transactions contemplated by this Agreement. The aforesaid documents which are to be delivered to each party with respect to the appointment of authorized representatives shall provide that when the aforesaid agreements and documents have been duly authorized, executed and delivered by said authorized representatives, each shall constitute a legal, valid and binding obligation of the particular party in accordance with its terms.

(l) Counterparts. This Agreement may be executed in three or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

(m) Other Claims. Each party shall notify the other of any claim, demand, right or cause of action asserted, threatened, or instituted against it (other than by one party against another and other than negligence and workers'

compensation matters) which may affect the CB-3 Property, or which arises in connection with the CB-3 Property, or involves the interpretation or performance of this Agreement. Subject to the provisions of Paragraph 7 hereof, any negotiations or litigation with respect to any such claim, demand, right or cause of action shall be conducted by the person against which such claim, demand, right or cause of action shall be asserted, threatened or instituted, with the other parties having the right to be kept reasonably advised as to the status of and to participate in such negotiations or litigation if their interests under this Agreement are involved.

(n) Consent of CB-3 Project Lease Lessor. Agency, acting only for the purposes of this Paragraph 12(n) in its capacity as the lessor, and City, acting only for the purpose of this Paragraph 12(n) in its capacity as the lessee, under the CB-3 Project Lease, by their execution hereof each approve this Agreement, the Agency Lease, the Developer Sublease, the Easement Agreement, the Coordination Agreement and the Non-Disturbance and Attornment Agreement, and each of the Exhibits attached hereto, as required pursuant to subsection 18(a) of the CB-3 Project Lease, and each represent that this Agreement, the Agency Lease, the Developer Sublease, the Easement Agreement, the Coordination Agreement and the Non-Disturbance and Attornment Agreement, and each of the Exhibits attached hereto are not in violation of the CB-3 Project Lease or any bond

documents pertaining to the construction of the Convention Center or City's Rooftop Improvements.

(o) Survival. The provisions of Paragraph 12(n) and all provisions of this Agreement relating to indemnification of one party by another, or relating to any other matter which by its nature will not be fully performed prior to or upon the closing of the transactions contemplated hereby, shall survive the closing of such transactions and the execution and delivery of all documents and agreements in connection therewith, and shall also survive any termination of this Agreement.

(p) Revised Final Documents. Developer has executed this Agreement and delivered same to Agency and City for approval and execution subject to and on the condition that the leases and agreements referred to herein as Attachments Nos. 7C (the Developer Sublease), 26A (the Coordination Agreement), 27 (the Agency Lease) and 28 (the Easement Agreement) and any other agreements referred to herein shall be subject to conforming changes to the reasonable and good faith satisfaction of Agency, City and Developer prior to the Effective Date of the DDA (as defined therein) (1) for consistency with the obligations, rights, duties and remedies set forth in the DDA and the ARE/Retail Lease or, if applicable, the ARE Severance

Lease, as referred to in Section 4(a) hereof, (2) for general conformity of the easements and related provisions in the Easement Agreement to those similar easements and related provisions contained in the CB-1 REA (Attachment No. 16 to the DDA), in each instance recognizing the differences in the current business terms set forth in such documents, the nature of the CB-3 Property, the respective rights and obligations of the City, Agency and Developer with respect to the CB-3 Property, and the contemplated improvements for the CB-3 Property pursuant to the DDA, the Agency Lease and the Developer Sublease, and (3) for internal consistency between the various documents relating to the CB-3 Property, and that, as a condition to Agency approval of the DDA (and Developer execution thereof), and Agency and City approval of this Agreement (and Developer execution thereof), the leases and agreements referred to herein including, without limitation, Attachments Nos. 7C (the Developer Sublease), 26A (the Coordination Agreement), 27 (the Agency Lease) and 28 (the Easement Agreement) to the DDA shall be so modified and conformed and substituted and attached as the Attachments to the DDA.

(q) Execution and Delivery of Agreement. This Agreement is executed and delivered by the Developer and submitted to the Agency subject to the same conditions as set forth in Section 14.01 of the DDA for the execution and delivery by the Developer to the Agency of the DDA.

IN WITNESS WHEREOF, the parties hereto have executed
this Agreement as of the day and year first above written.

Approved as to form:

CITY ATTORNEY FOR THE
CITY AND COUNTY OF
SAN FRANCISCO

The City and County of
San Francisco, a municipal
corporation, and a chartered
City and County of the
State of California

By _____

Its _____

Approved as to form:

ATTORNEYS FOR AGENCY

The Redevelopment Agency of
the City and County of San
Francisco, a redevelopment
agency and public body,
corporate and politic

By _____

Its _____

Approved as to form:

ATTORNEYS FOR DEVELOPER

YBG ASSOCIATES, a California
limited partnership

By: Olympia & York California
Equities Corp., a Delaware
corporation, General
Partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation,
General Partner

By: _____

Its: _____

LIST OF EXHIBITS

- Exhibit A -- Convention Center Rooftop Surface
- Exhibit B -- Legal Description of Leased Rooftop Surface
- Exhibit C -- Legal Description of Developer's Rooftop Surface
- Exhibit D -- Legal Description of Agency's Rooftop Surface
- Exhibit E -- Legal Description of City's Rooftop Surface
- Exhibit F -- Form of Non-Disturbance Agreement
- Exhibit G -- Insurance Requirements

EXHIBIT A TO ATTACHMENT NO. 26B

(CB3 AGREEMENT TO LEASE)

SITE PLAN

CONVENTION CENTER ROOFTOP SURFACE

(See Sheets 21 and 22 of Attachment No. 4 to DDA.)

EXHIBIT B TO ATTACHMENT NO. 26B

(CB3 AGREEMENT TO LEASE)

LEASED ROOFTOP SURFACE

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 A.R.E. PARCEL 1 (SAN FRANCISCO PAVILION)

LEVELS A & B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET 67.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 118 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 74 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 176 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 20 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 128 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 270 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF CB3 A.R.E. PARCEL 4 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PORTION OF CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE OF FOLSOM STREET 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PERPENDICULAR TO THE NORTHWESTERLY LINE OF FOLSOM STREET 82 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 38 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 28 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 74 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 8 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

CB3 A.R.E. PARCEL 2 (CINEMA)

LEVEL A

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE AT FOLSOM STREET, A TOTAL DISTANCE OF 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 72 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 118 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 71 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 110 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

ALL OF THE REAL PROPERTY DESCRIBED ABOVE IN LEVEL A AND LEVEL B IS
COMMONLY KNOWN AS CB3 A.R.E. PARCEL 2 (CINEMA)

CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS DISTANT 133 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE TO THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

THE ABOVE DESCRIBED CB3 RETAIL PARCEL 2 BEING THE EXCEPTION TO THE CB3 A.R.E.

PARCEL 3 (IMAX THEATRE)

CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET 153 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 62 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 29.50 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 145.00 FEET WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE 143.02 FEET TO A POINT WHICH IS LOCATED 184.566 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 332.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY 32.566 FEET ALONG A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET TO THE TRUE POINT OF BEGINNING.

EACH OF THE ABOVE A.R.E. PARCELS BEING A PORTION OF 100 VARA BLOCK NO. 364

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 RETAIL PARCEL 1

LEVEL A

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 332.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT A RIGHT ANGLE SOUTHWESTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 36 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

BEING A PORTION OF 100 VARA BLOCK NO. 364.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

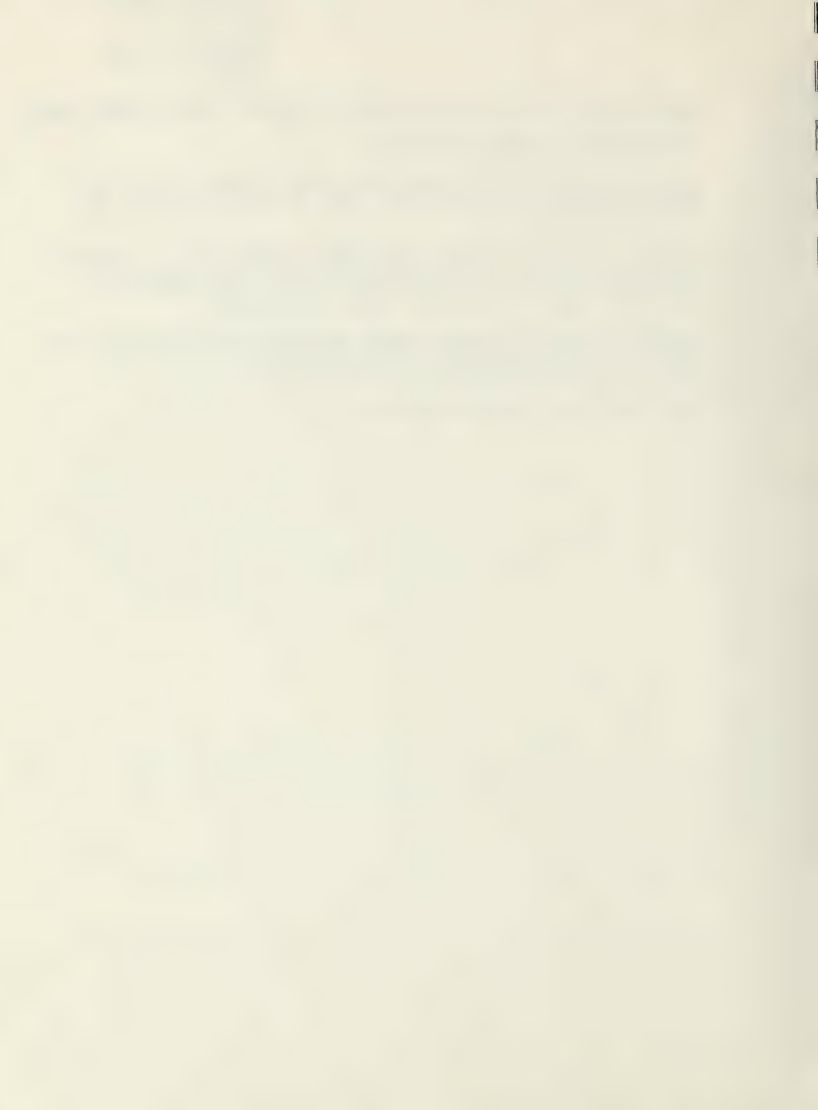
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.



LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 GARDENS PARCEL

LEVELS A AND B

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF FOLSOM STREET 524 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 90 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 41.013 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 67.68 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 218 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 9 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 64 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 9 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 87.987 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 40.82 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 61 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 45 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 115 FEET AND WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND SOUTHERLY ALONG SAID CURVE 150.92 FEET TO THE POINT OF INTERSECTION OF SAID CURVE WITH A SECOND CURVE HAVING A RADIUS OF 68 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE EASTERLY ALONG SAID SECOND CURVE 76.42 FEET TO A POINT WHICH IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 480.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 12 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 123 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF FOLSOM STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY ALONG THE NORTHEASTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF FOLSOM STREET AND ALONG SAID LINE OF FOLSOM STREET A TOTAL DISTANCE OF 425 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS:

CB3 A.R.E. PARCEL 1 (SAN FRANCISCO PAVILION)

LEVELS A & B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET 67.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 118 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 74 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 176 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 20 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 128 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 270 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF CB3 A.R.E. PARCEL 4 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PORTION OF CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE OF FOLSOM STREET 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PERPENDICULAR TO THE NORTHWESTERLY LINE OF FOLSOM STREET 82 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 38 FEET THENCE AT A RIGHT ANGLE SOUTHWESTERLY 28 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 74 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 8 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.



CB3 A.R.E. PARCEL 2 (CINEMA)

LEVEL A

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE AT FOLSOM STREET, A TOTAL DISTANCE OF 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 72 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 118 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 71 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 110 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

ALL OF THE REAL PROPERTY DESCRIBED ABOVE IN LEVEL A AND LEVEL B IS
COMMONLY KNOWN AS CB3 A.R.E. PARCEL 2 (CINEMA)



CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS DISTANT 133 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE TO THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

BEING A PORTION OF 100 VARA BLOCK NO. 364.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET 153 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 62 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 29.50 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 145.00 FEET WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE 143.02 FEET TO A POINT WHICH IS LOCATED 184.566 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 332.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY 32.566 FEET ALONG A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET TO THE TRUE POINT OF BEGINNING.

EACH OF THE ABOVE A.R.E. PARCELS BEING A PORTION OF 100 VARA BLOCK NO. 364

CB3 RETAIL PARCEL 1

LEVEL A

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 332.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT A RIGHT ANGLE SOUTHWESTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 36 FEET TO THE TRUE POINT OF BEGINNING.

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

THE ABOVE 6 PARCELS COMPRISE THE EXCEPTION TO CB3 GARDENS PARCEL

TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE OVER HOWARD STREET,
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION
34.50 FEET AND THE OTHER AT ELEVATION 58.50 FEET. THIS REAL PROPERTY IS
BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL
PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED
AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT
THEREON 200 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH
STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF HOWARD
STREET 82.50 FEET TO THE NORTHWESTERLY LINE OF HOWARD STREET; THENCE AT
A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET;
THENCE AT A RIGHT ANGLE SOUTHEASTERLY 82.50 FEET TO THE SOUTHEASTERLY LINE
OF HOWARD STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY ALONG SAID LINE
OF HOWARD STREET 30 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIRSPACE OF HOWARD STREET.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE OVER HOWARD STREET, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION
35.20 FEET AND THE OTHER AT ELEVATION 58.00 FEET. THIS REAL PROPERTY
IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL
PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT
THEREON 235 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF THIRD
STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF HOWARD
STREET 82.50 FEET TO THE NORTHWESTERLY LINE OF HOWARD STREET; THENCE AT
A RIGHT ANGLE SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET;
THENCE AT A RIGHT ANGLE SOUTHEASTERLY 82.50 FEET TO THE SOUTHEASTERLY
LINE OF HOWARD STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID
LINE OF HOWARD STREET 30 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIRSPACE OF HOWARD STREET.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE, APPROXIMATELY 15 FEET IN WIDTH, LOCATED WITHIN ALL THAT REAL PROPERTY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION 34.50 FEET AND THE OTHER AT ELEVATION 58.50 FEET. THIS REAL PROPERTY IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT THEREON 200 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 116.32 FEET TO A POINT DISTANT 444 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET; THENCE SOUTHWESTERLY PARALLEL WITH THE SOUTHEASTERLY LINE OF HOWARD STREET 7.013 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 90 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 22.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 26.32 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE, APPROXIMATELY 15 FEET IN WIDTH, LOCATED WITHIN ALL THAT REAL PROPERTY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION 35.20 FEET AND THE OTHER AT ELEVATION 58.00 FEET. THIS REAL PROPERTY IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT THEREON 235 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF THIRD STREET; THENCE SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 184 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 184 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXHIBIT C TO ATTACHMENT NO. 26B

(CB3 AGREEMENT TO LEASE)

DEVELOPER'S ROOFTOP SURFACE

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 A.R.E. PARCEL 1 (SAN FRANCISCO PAVILION)

LEVELS A & B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET 67.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 118 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 74 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 176 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 20 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 128 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 270 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF CB3 A.R.E. PARCEL 4 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

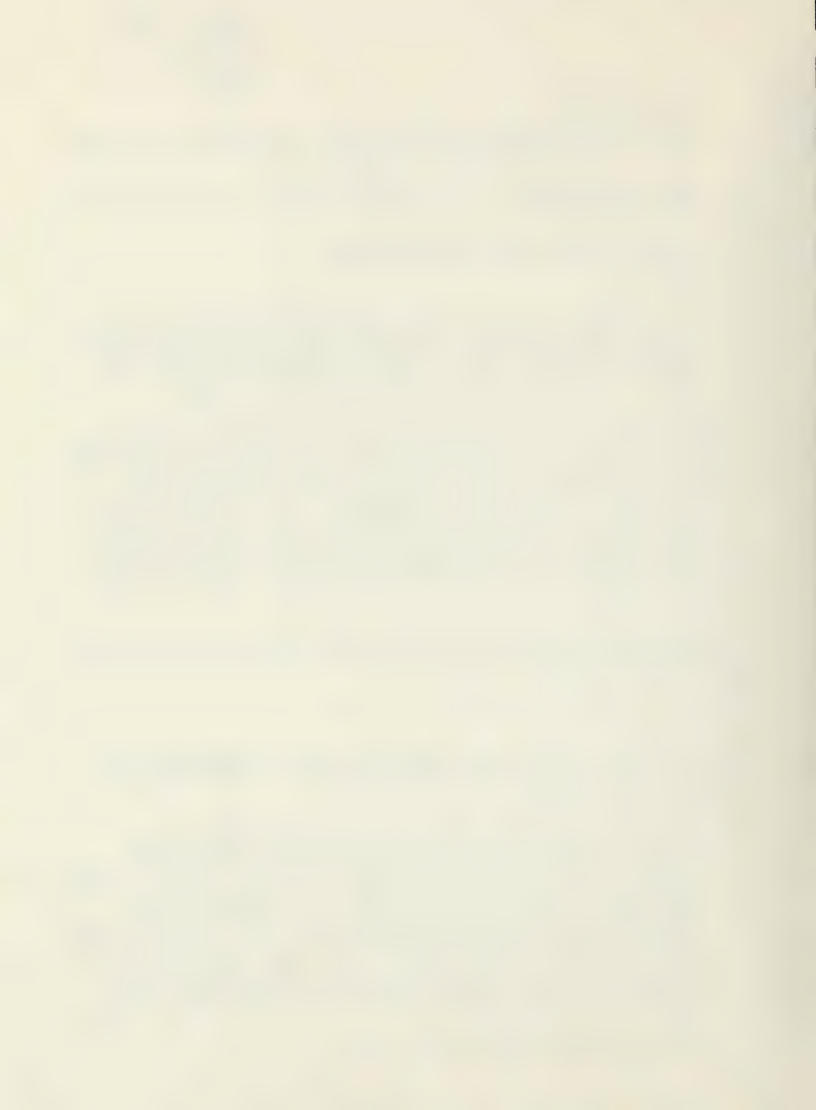
PORTION OF CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE OF FOLSOM STREET 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PERPENDICULAR TO THE NORTHWESTERLY LINE OF FOLSOM STREET 82 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 38 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 28 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 74 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 8 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.



CB3 A.R.E. PARCEL 2 (CINEMA)

LEVEL A

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE AT FOLSOM STREET, A TOTAL DISTANCE OF 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 72 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 118 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 71 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 110 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

ALL OF THE REAL PROPERTY DESCRIBED ABOVE IN LEVEL A AND LEVEL B IS
COMMONLY KNOWN AS CB3 A.R.E. PARCEL 2 (CINEMA)

CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:



ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS DISTANT 133 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE TO THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

THE ABOVE DESCRIBED CB3 RETAIL PARCEL 2 BEING THE EXCEPTION TO THE CB3 A.R.E.

PARCEL 3 (IMAX THEATRE)

CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET 153 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 62 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 29.50 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 145.00 FEET WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE 143.02 FEET TO A POINT WHICH IS LOCATED 184.566 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 332.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY 32.566 FEET ALONG A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET TO THE TRUE POINT OF BEGINNING.

EACH OF THE ABOVE A.R.E. PARCELS BEING A PORTION OF 100 VARA BLOCK NO. 364

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 RETAIL PARCEL 1

LEVEL A

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 332.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT A RIGHT ANGLE SOUTHWESTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 36 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

BEING A PORTION OF 100 VARA BLOCK NO. 364.



ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET,
BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND
DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE
RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE
NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A
RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE
WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING
PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXHIBIT D TO ATTACHMENT NO. 26B

(CB3 AGREEMENT TO LEASE)

AGENCY'S ROOFTOP SURFACE

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CB3 GARDENS PARCEL

LEVELS A AND B

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF FOLSOM STREET 524 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 90 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 41.013 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 67.68 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 218 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 9 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 64 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 9 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 87.987 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 40.82 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 61 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 45 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 115 FEET AND WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND SOUTHERLY ALONG SAID CURVE 150.92 FEET TO THE POINT OF INTERSECTION OF SAID CURVE WITH A SECOND CURVE HAVING A RADIUS OF 68 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE EASTERLY ALONG SAID SECOND CURVE 76.42 FEET TO A POINT WHICH IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 480.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 12 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 123 FEET TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF FOLSOM STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY ALONG THE NORTHEASTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF FOLSOM STREET AND ALONG SAID LINE OF FOLSOM STREET A TOTAL DISTANCE OF 425 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS:

CB3 A.R.E. PARCEL 1 (SAN FRANCISCO PAVILION)

LEVELS A & B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET 67.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 118 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 74 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 176 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 20 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 128 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 270 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF CB3 A.R.E. PAREL 4 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PORTION OF CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE OF FOLSOM STREET 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 213 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PERPENDICULAR TO THE NORTHWESTERLY LINE OF FOLSOM STREET 82 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 38 FEET THENCE AT A RIGHT ANGLE SOUTHWESTERLY 28 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 74 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 8 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.



CB3 A.R.E. PARCEL 2 (CINEMA)

LEVEL A

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ALONG THE NORTHEASTERLY PROLONGATION OF SAID LINE AT FOLSOM STREET, A TOTAL DISTANCE OF 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 8 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 72 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 118 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTHWESTERLY LINE OF FOLSOM STREET AT A POINT DISTANT THEREON 67.987 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 71 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 110 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 213 FEET TO THE POINT OF BEGINNING.

ALL OF THE REAL PROPERTY DESCRIBED ABOVE IN LEVEL A AND LEVEL B IS
COMMONLY KNOWN AS CB3 A.R.E. PARCEL 2 (CINEMA)



SEPTEMBER 17, 1964
(FINAL)

CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS DISTANT 133 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE TO THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

BEING A PORTION OF 100 VARA BLOCK NO. 364.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

BEING A PORTION OF 100 VARA BLOCK NO. 364.



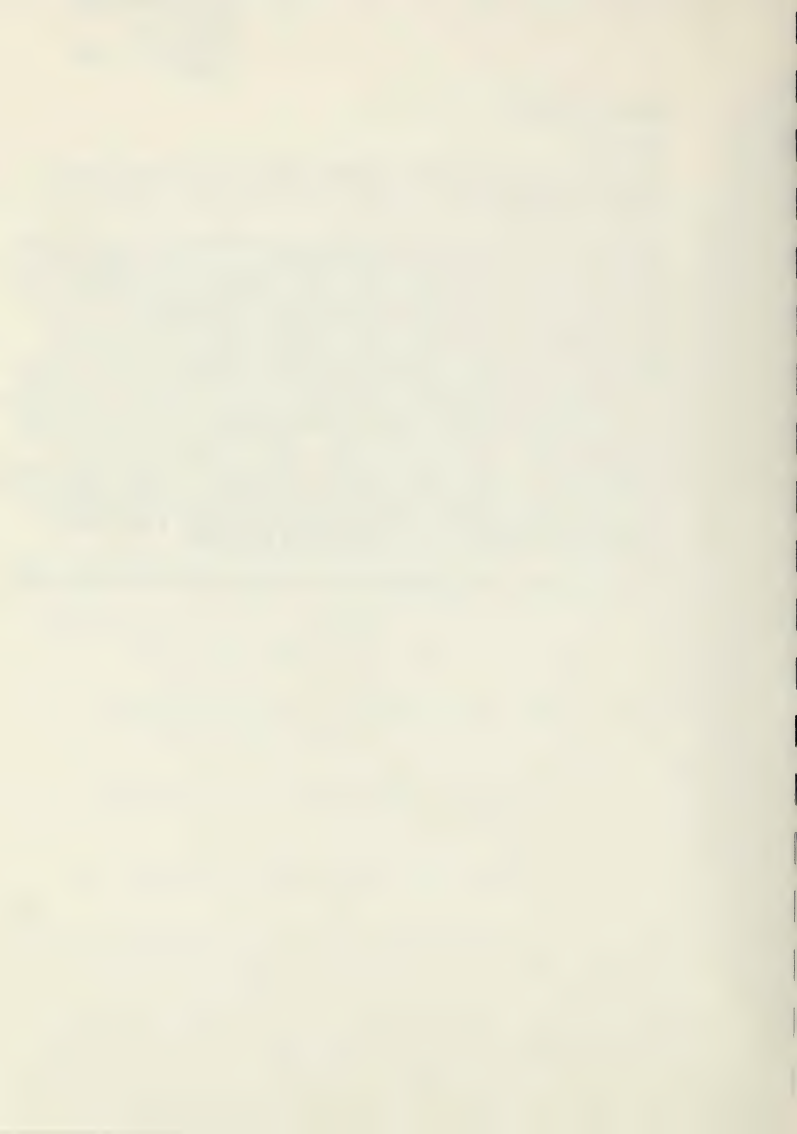
CB3 A.R.E. PARCEL 4

LEVEL B

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 177.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 142 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTHWESTERLY PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET 153 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 62 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 29.50 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 145.00 FEET WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE 143.02 FEET TO A POINT WHICH IS LOCATED 184.566 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 332.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY 32.566 FEET ALONG A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 155 FEET TO THE TRUE POINT OF BEGINNING.

EACH OF THE ABOVE A.R.E. PARCELS BEING A PORTION OF 100 VARA BLOCK NO. 364



CB3 RETAIL PARCEL 1

LEVEL A

ALL THAT REAL PROPERTY THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING A HORIZONTAL PLANE AT ELEVATION 51.0 FEET. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF FOLSOM STREET AND ITS NORTHEASTERLY PROLONGATION 332.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 105 FEET TO THE TRUE POINT OF BEGINNING; THENCE AT A RIGHT ANGLE SOUTHWESTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 155 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 36 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 155 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 36 FEET TO THE TRUE POINT OF BEGINNING.

CB3 RETAIL PARCEL 2

LEVELS A AND B

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 60 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET

ALSO EXCEPTING THEREFROM THAT PORTION OF THE CB3 A.R.E. PARCEL 3 (IMAX THEATRE)

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY ABOVE A HORIZONTAL PLANE AT ELEVATION 51.0 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY WITHIN A CIRCLE HAVING A RADIUS OF 53 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET.

EXCEPTING THEREFROM THAT PORTION THEREOF WHICH LIES SOUTHEASTERLY OF A LINE WHICH PASSES THROUGH THE RADIUS POINT OF SAID CIRCLE, SAID LINE BEING PARALLEL TO THE NORTHWESTERLY LINE OF FOLSOM STREET.

THE ABOVE 6 PARCELS COMPRISE THE EXCEPTION TO CB3 GARDENS PARCEL

TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE OVER HOWARD STREET,
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION
34.50 FEET AND THE OTHER AT ELEVATION 58.50 FEET. THIS REAL PROPERTY IS
BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL
PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED
AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT
THEREON 200 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH
STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF HOWARD
STREET 82.50 FEET TO THE NORTHWESTERLY LINE OF HOWARD STREET; THENCE AT
A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET;
THENCE AT A RIGHT ANGLE SOUTHEASTERLY 82.50 FEET TO THE SOUTHEASTERLY LINE
OF HOWARD STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY ALONG SAID LINE
OF HOWARD STREET 30 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIRSPACE OF HOWARD STREET.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE OVER HOWARD STREET, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION
35.20 FEET AND THE OTHER AT ELEVATION 58.00 FEET. THIS REAL PROPERTY
IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL
PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT
THEREON 235 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF THIRD
STREET; THENCE NORTHWESTERLY AT A RIGHT ANGLE TO SAID LINE OF HOWARD
STREET 82.50 FEET TO THE NORTHWESTERLY LINE OF HOWARD STREET; THENCE AT
A RIGHT ANGLE SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET;
THENCE AT A RIGHT ANGLE SOUTHEASTERLY 82.50 FEET TO THE SOUTHEASTERLY
LINE OF HOWARD STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID
LINE OF HOWARD STREET 30 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIRSPACE OF HOWARD STREET.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE, APPROXIMATELY 15 FEET IN WIDTH, LOCATED WITHIN ALL THAT REAL PROPERTY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION 34.50 FEET AND THE OTHER AT ELEVATION 58.50 FEET. THIS REAL PROPERTY IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT THEREON 200 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 116.32 FEET TO A POINT DISTANT 444 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET; THENCE SOUTHWESTERLY PARALLEL WITH THE SOUTHEASTERLY LINE OF HOWARD STREET 7.013 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 90 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 22.987 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 26.32 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

ALSO TOGETHER WITH:

AN EASEMENT FOR THE PURPOSE OF A PEDESTRIAN BRIDGE, APPROXIMATELY 15 FEET IN WIDTH, LOCATED WITHIN ALL THAT REAL PROPERTY DESCRIBED AS FOLLOWS:

ALL THAT REAL PROPERTY BETWEEN TWO HORIZONTAL PLANES, ONE AT ELEVATION 35.20 FEET AND THE OTHER AT ELEVATION 58.00 FEET. THIS REAL PROPERTY IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFORESAID HORIZONTAL PLANES, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHEASTERLY LINE OF HOWARD STREET AT A POINT DISTANT THEREON 235 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF THIRD STREET; THENCE SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET 30 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 184 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 184 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXHIBIT E TO ATTACHMENT NO. 26B

(CB3 AGREEMENT TO LEASE)

CITY'S ROOFTOP SURFACE



LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

ALL THAT REAL PROPERTY, THE LOWER LIMITS BEING THE EXTERIOR ROOF SURFACE OF THE CONVENTION CENTER AS IT NOW EXISTS AND THE UPPER LIMITS BEING TO INFINITY ABOVE. THIS SPACE IS BOUNDED BY VERTICAL PLANES WHICH EXTEND BETWEEN THE AFOREMENTIONED LOWER AND UPPER LIMITS, THE LIMITS OF SAID VERTICAL PLANES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT DISTANT 10 FEET NORTHWESTERLY AT A RIGHT ANGLE TO THE NORTHWESTERLY LINE OF FOLSOM STREET AND DISTANT 492.987 FEET NORTHEASTERLY AT A RIGHT ANGLE TO THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF FOLSOM STREET AND ALONG SAID LINE OF FOLSOM STREET 265 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 355.50 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 124 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 61 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 30 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 45 FEET TO THE BEGINNING OF A CURVE HAVING A RADIUS OF 115 FEET AND WHOSE RADIUS POINT IS LOCATED 305.50 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE SOUTHEASTERLY AND SOUTHERLY ALONG SAID CURVE 150.92 FEET TO THE POINT OF INTERSECTION OF SAID CURVE WITH A SECOND CURVE HAVING A RADIUS OF 68 FEET AND WHOSE RADIUS POINT IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 412.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE EASTERLY ALONG SAID SECOND CURVE 76.42 FEET TO A POINT WHICH IS LOCATED 133 FEET NORTHWESTERLY AT A RIGHT ANGLE FROM THE NORTHWESTERLY LINE OF FOLSOM STREET AND 480.987 FEET NORTHEASTERLY AT A RIGHT ANGLE FROM THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE NORTHEASTERLY PARALLEL WITH THE NORTHWESTERLY LINE OF FOLSOM STREET 12 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 123 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 364.

EXHIBIT F

FORM OF NON-DISTURBANCE AGREEMENT

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

Att'n: _____

NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS NON-DISTURBANCE AND ATTORNMENT AGREEMENT (the "Agreement") is made as of this ____ day of _____, 19__, between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, and a chartered city and county of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California ("City"), and YBG ASSOCIATES, a California limited partnership ("Developer"), of which Olympia & York California Equities Corp., a Delaware corporation, and Marriott Corporation, a Delaware corporation, are the general partners.

R E C I T A L S

A. City and the Redevelopment Agency of the City and County of San Francisco, a redevelopment agency and public body, corporate and politic ("Agency"), have entered into a Lease, dated _____, 19__ (the "CB-3 Project Lease"), pursuant to which Agency leased to City on the terms and conditions set forth therein that certain real property located in San Francisco, California, and more particularly described in Exhibit A attached hereto (the "CB-3 Property"), upon which City has constructed a convention center structure commonly known as the George R. Moscone Convention Center (the "Convention Center"). Except as provided in the CB-3 Project Lease, fee title to the CB-3 Property and the Convention Center will vest in the City upon expiration of the CB-3 Project Lease.

B. City and Agency have also entered into a separate lease, dated _____, 19__ (the "Agency's Lease"), pursuant to which City has transferred to Agency on the terms and conditions set forth therein an interest in a portion of the rooftop surface of the Convention Center and the airspace above the same (the "Leased Rooftop Surface"). Agency's Lease constitutes a sublease during the term of the CB-3 Project Lease and will be a primary lease upon termination of the CB-3 Project Lease and the vesting of fee title to the CB-3 Property

in City. The location of the Leased Rooftop Surface is more particularly described in Exhibit B attached hereto.

C. Agency and Developer have entered into a sublease, dated _____, 19__ ("Developer's Sublease"), pursuant to which Agency transferred to Developer on the terms and conditions set forth therein a portion of Agency's interest in the Leased Rooftop Surface ("Developer's Rooftop Surface"). Developer's Sublease will constitute a sub-sublease during the term of the CB-3 Project Lease and will be a sublease upon the Agency's Lease becoming a primary lease. The location of the Developer's Rooftop Surface is more particularly described in Exhibit C attached hereto.

NOW, THEREFORE, in consideration of the above recitals and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. In accordance with the provisions of the Agency's Lease, City has consented to the Developer's Sublease in the form of Exhibit ____ attached to the Agency's Lease. As used in this Agreement, the term "Developer's Sublease" shall mean such form of sublease, as the same may be amended or otherwise modified in accordance with the provisions of the Agency's Lease.

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 3, 1862. It is a very important document, as it contains the President's views on the state of the Union and the progress of the war.

2. The second part of the document is a report from the Secretary of the War Department, dated January 10, 1862. It contains a detailed account of the military operations of the Army during the year 1861, and also a statement of the condition of the Army at the beginning and end of the year.

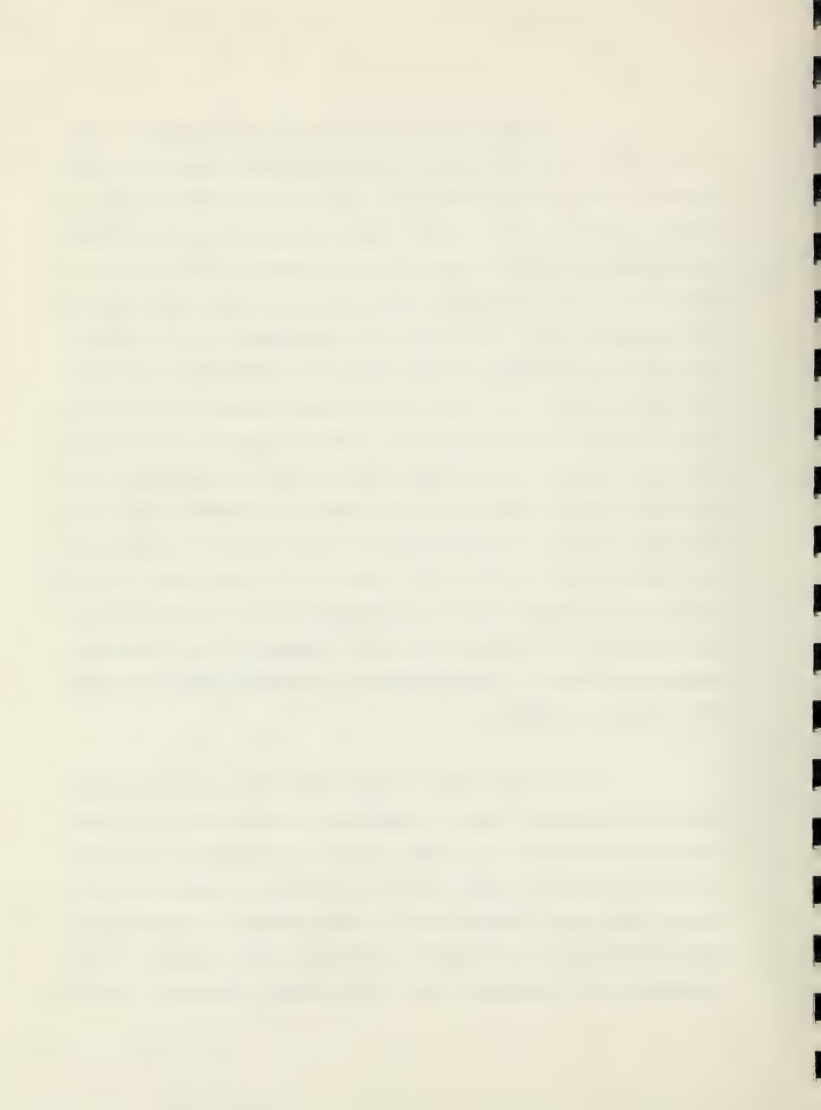
3. The third part of the document is a report from the Secretary of the Navy, dated January 10, 1862. It contains a detailed account of the operations of the Navy during the year 1861, and also a statement of the condition of the Navy at the beginning and end of the year.

4. The fourth part of the document is a report from the Secretary of the Interior, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861, and also a statement of the condition of the Department at the beginning and end of the year.

5. The fifth part of the document is a report from the Secretary of the Treasury, dated January 10, 1862. It contains a detailed account of the operations of the Department during the year 1861, and also a statement of the condition of the Department at the beginning and end of the year.

2. Subject to the provisions of Paragraph 4, City shall not (nor shall Agency if City defaults under the CB-3 Project Lease) in the exercise of any of its rights arising or which may arise out of the Agency's Lease (or out of any instrument modifying or amending the same or entered into in substitution or replacement thereof): (a) disturb Developer in its possession or its right to possession of Developer's Rooftop Surface demised under Developer's Sublease; or (b) deprive Developer of any right or privilege granted to or inuring to the benefit of Developer (or its Mortgagee, as defined in the Developer Sublease) under the Developer's Sublease. City expressly acknowledges and agrees that its covenants under this Agreement not to disturb Developer shall extend to any person or entity permitted by the terms and conditions of the Developer's Sublease to be in possession of all or any part of the Developer's Rooftop Surface (an "Occupant") and including, without limitation, any Mortgagee of Developer permitted under the Developer Sublease.

3. In the event of the termination of the Agency's Lease by re-entry, notice, conditional limitation, surrender, summary proceeding or any other action or proceeding, or in the event the Agency's Lease shall terminate or expire for any reason before the date provided in the Developer's Sublease for the expiration of Developer's Sublease, then subject to the provisions of Paragraph 4: (a) neither Developer or its



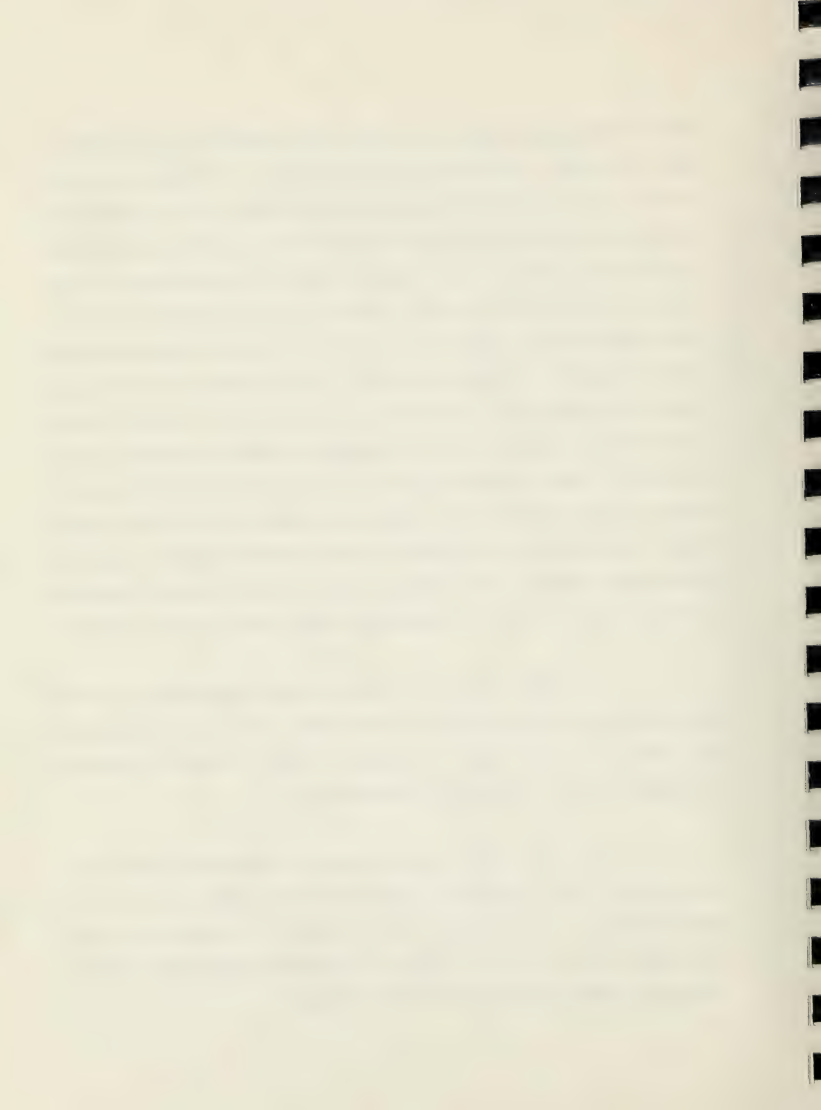
Mortgagees nor any Occupant shall be made a party in any action or proceeding to remove or evict Agency, nor shall the Developer, its Mortgagees or any Occupant be evicted or removed or its possession or right of possession be disturbed or in any way interfered with; (b) the Developer's Sublease shall continue in full force and effect as a direct sublease (during the term of the CB-3 Project Lease) or lease (after expiration of the CB-3 Project Lease) from City to Developer under the terms and provisions of the Developer's Sublease and City shall perform the obligation of Agency thereunder as to the security, operation, maintenance, repair and restoration of the CB-3 Gardens; provided, however, that City's obligation to so secure, operate, maintain, repair and restore the CB-3 Gardens, as defined and provided in Article 47 of the Developer's Sublease, shall be limited to the extent of rent received by City thereunder, and the proceeds of insurance or condemnation awards payable with respect to the CB-3 Gardens; (c) the Developer shall have the rights as set forth in Section 47.73 of the Developer's Sublease, all of which are incorporated herein by reference; and (d) Developer shall and hereby agrees to attorn to City as landlord under the Developer's Sublease and, subject to the following limitations, City agrees to perform such Agency obligations under the Developer Sublease.

4. City's obligations under Paragraphs 2 and 3 are expressly conditioned on there being no Event of Default on the

part of Developer under the terms and conditions of the Developer's Sublease, and Developer delivering to City an instrument in form and substance reasonably satisfactory to City and its counsel confirming Developer's agreement to attorn to City and to recognize City as the landlord under the Developer's Sublease. Notwithstanding the provisions of Paragraph 2 and 3, City shall not be liable for any default of the landlord under the Developer's Sublease (subject to the rights of Developer under the Developer's Sublease to any set off against rent) prior to the termination of the Agency's Lease, for any payment of rent or other amounts payable by Developer under Developer's Sublease more than two (2) months in advance, or for the retention, application or return of any security deposit paid by Developer, except to the extent such security deposit has been actually paid to and received by City for its own account.

5. The terms, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto, their heirs, personal representatives, successors and assigns.

6. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto. Any waiver of a covenant or condition of this Agreement must be in writing and signed by the party against whom such waiver is sought to be enforced.



7. Any notice or demand which under the terms of this Agreement must or may be given or made by the parties hereto shall be in writing and shall be mailed by registered or certified mail, with return-receipt requested, to the appropriate address set forth below or to such other address as may hereafter be designated by notice given in accordance with this Paragraph 7.

City: CITY AND COUNTY OF SAN FRANCISCO

Att'n: _____

Developer: YBG ASSOCIATES

Att'n: _____

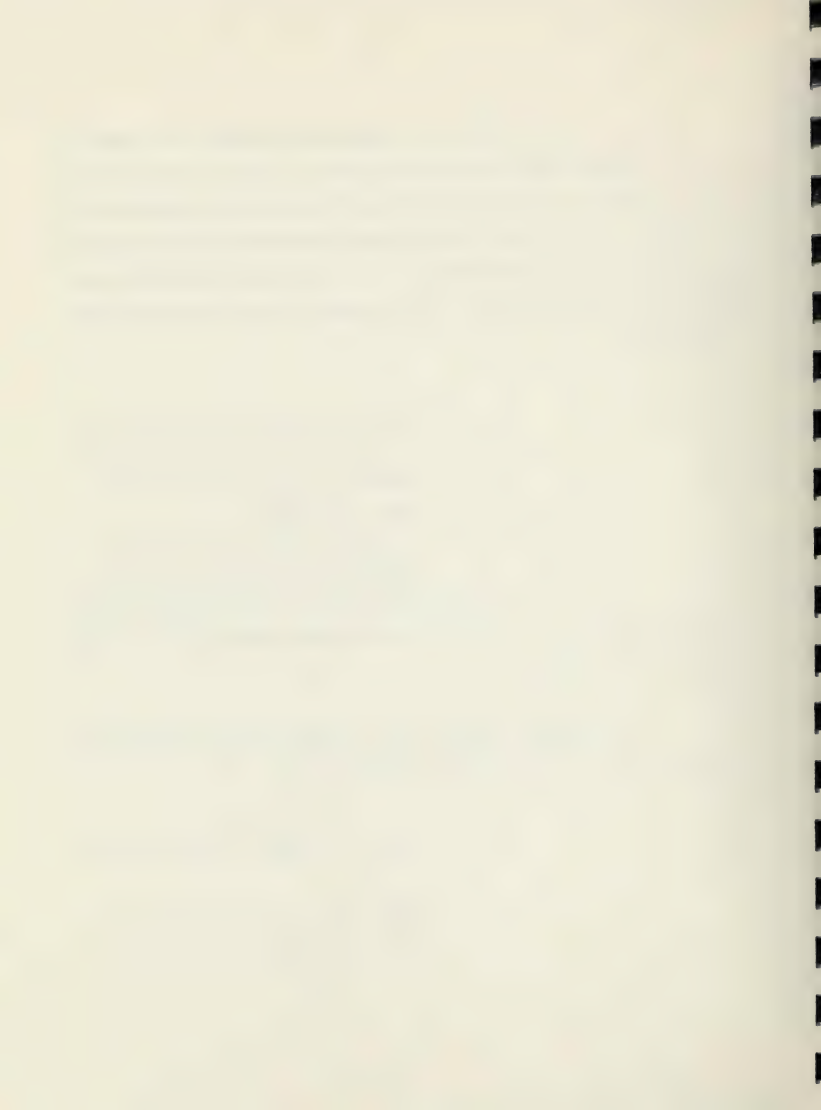
8. The terms and conditions of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

City: CITY AND COUNTY OF SAN FRANCISCO

By _____

Its _____



Developer: YBC ASSOCIATES, a California
limited partnership

By _____

Its _____

4777.88

Consent

Agency hereby consents to the execution and delivery of the foregoing Non-Disturbance and Attornment Agreement and agrees that neither the execution thereof, nor anything done in accordance with the provisions of such agreement shall be deemed or taken to modify the Agency's Lease or the obligations of Agency thereunder.

Agency: REDEVELOPMENT AGENCY OF SAN FRANCISCO

By _____

Title _____

Dated: _____, 19__.

EXHIBIT G

Right of Entry Insurance Requirements

The entering party shall maintain in full force and effect during the term of its entry upon the CB-3 Property comprehensive public liability and property damage insurance in the minimum amounts stated below, in a solvent company or companies, and under the usual terms employed by casualty insurance companies in California. The insurance shall name the Agency (if obtained by the Developer), the City and their respective members, officers, agents and employees as additional insureds, and shall cover all legal liability for bodily injury, death and property damage which may arise out of the use and occupancy of the CB-3 Property, in whole or part, and any operations and/or activities thereon and on adjoining and abutting sidewalks and streets. The minimum limits for bodily injury or death and property damage or combined single limit shall not exceed \$10,000,000, of which at least \$1,000,000 shall be primary coverage and the remainder of which may be umbrella coverage. Such insurance shall be procured and maintained by entering party at its sole cost and expense. The Agency (if such insurance is obtained by the Developer) and the City shall be furnished a true copy of the policy of such insurance or appropriate and executed certificate evidencing such insurance, which certificate or policy, as the case may be, shall provide that at least thirty (30) days' prior written notice shall be given Agency (if applicable) and City before such insurance is cancelled or changed in any material way except for non-payment of premiums in which case at least ten (10) days prior written notice shall be given Agency (if applicable) and City. In addition, similar evidence of Worker's Compensation Insurance for the permitted activities shall be supplied Agency (if applicable) and City as a condition to entry onto the CB-3 Property.



YERBA BUENA GARDENS
CENTRAL BLOCK THREE
MOSCONI CONVENTION CENTER ROOFTOP LEASE

Between

THE CITY AND COUNTY OF SAN FRANCISCO

And

THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO

Dated _____, 198_

Attachment No. 27

To
DDA

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<u>Term</u>	<u>Location</u>
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CB-3 Property	Recital A
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<u>Term</u>	<u>Location</u>
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Termination Date

Paragraph 2.2

Total Condemnation

Paragraph 20.3

Vents

Paragraph 9.4(c)

Yerba Buena Gardens

Recital G

4777.91

YERBA BUENA GARDENS
CENTRAL BLOCK THREE

MOSCONE CONVENTION CENTER ROOFTOP LEASE

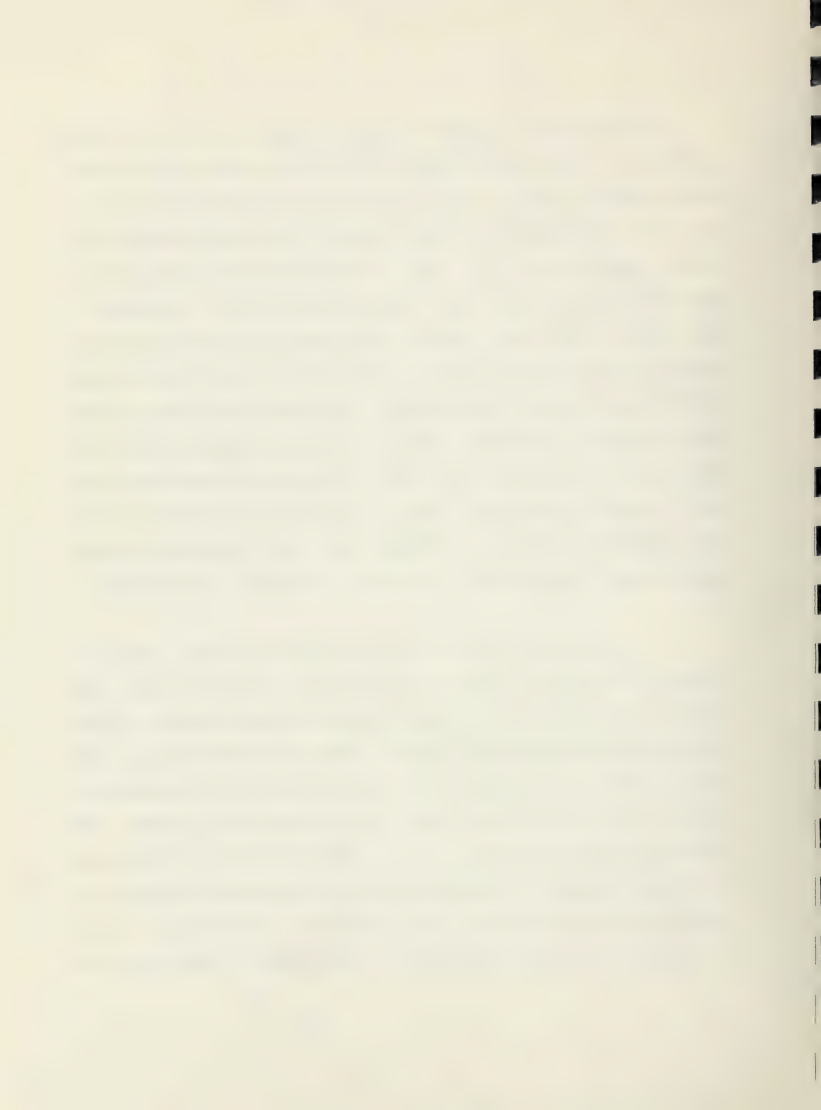
THIS LEASE is made as of this _____ day of _____, 1984, by and between THE CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, and a chartered city and county of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California ("City"), and THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a redevelopment agency and public body, corporate and politic ("Agency").

R E C I T A L S

A. Pursuant to that certain Project Lease, dated April 1, 1979 (the "CB-3 Project Lease"), City (as lessee thereunder) has leased from Agency (as lessor thereunder) all of that certain real property located in San Francisco, California, commonly known as Central Block Three of the Yerba Buena Center Redevelopment Area and more particularly described therein (the "CB-3 Property").

B. City holds the CB-3 Property subject to the terms and conditions of the Redevelopment Plan for the Yerba Buena Center Redevelopment Project approved by the Board of Supervisors of the City and County of San Francisco by its Ordinance No. 98-66, adopted April 25, 1966, as amended through the date of the CB-3 Project Lease (the "Redevelopment Plan"). Pursuant to the terms of the CB-3 Project Lease and in accordance with the Redevelopment Plan, City has constructed on the CB-3 Property certain buildings, improvements, facilities and appurtenances consisting of a convention center structure commonly known as the George R. Moscone Convention Center (the "Convention Center"), and service areas, public areas and accessways serving the Convention Center (together with the Convention Center being herein collectively referred to as the "Facilities").

C. During the term of the CB-3 Project Lease, fee title to the CB-3 Property and the Facilities is vested in Agency and Agency has leased the entirety thereof to City pursuant to the terms of the CB-3 Project Lease. Except as otherwise provided in the CB-3 Project Lease, upon the termination or expiration of the CB-3 Project Lease, fee title to the CB-3 Property and the Facilities will vest in City. This Lease shall constitute a sublease during the period City has a leasehold interest in the CB-3 Property and Facilities, and shall constitute a primary lease if and when fee title to such property vests in City.



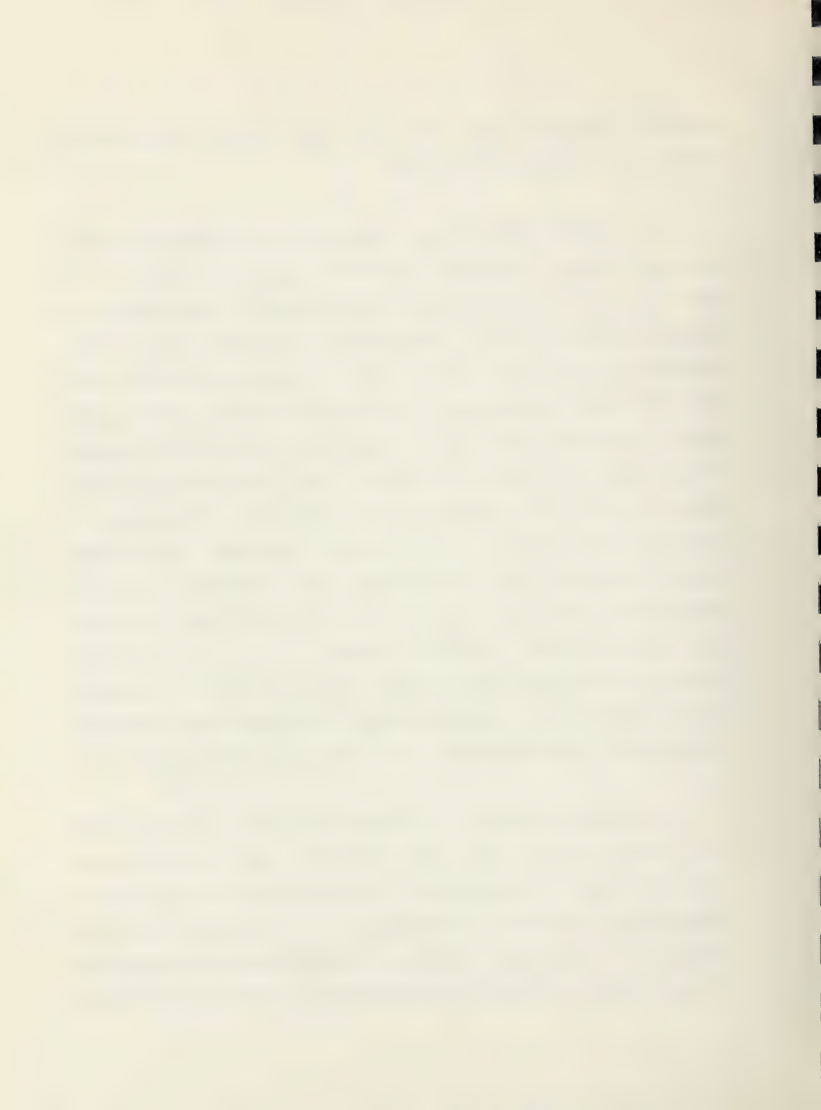
D. The Convention Center has been constructed substantially below the grade of the streets bordering the CB-3 Property and in such a manner that the surface area of the roof thereof (constituting an area of approximately 300,000 square feet) can accommodate the construction of certain additional improvements thereon, subject to load disbursement and other structural design and engineering constraints. The entire surface area of the roof of the Convention Center, together with an extension of such surface over the air space above certain portions of the CB-3 Property adjoining the Convention Center and situated between the Convention Center and the adjoining streets, is more particularly described on the site plan attached hereto as Exhibit A (the "CB-3 Site Plan"), and is sometimes collectively referred to herein as the "Convention Center Rooftop Surface."

E. City and Agency desire to have the Convention Center Rooftop Surface further developed. Agency has agreed to develop or to cause to be developed, subject to the terms and conditions set forth herein, a portion of the Convention Center Rooftop Surface (the "Leased Rooftop Surface") as generally shown on the CB-3 Site Plan and more particularly described on Exhibit A-1 attached hereto. City has agreed, subject to the terms and conditions set forth herein, to retain and develop the portion of the Convention Center Rooftop Surface other than the Leased Rooftop Surface ("City's Rooftop Surface") as

generally shown on the CB-3 Site Plan and more particularly described in Exhibit A-2 hereof.

F. Agency will retain a portion of the Leased Rooftop Surface ("Agency's Rooftop Surface") as generally shown on the CB-3 Site Plan and more particularly described on Exhibit A-3 attached hereto, and will sublease the remainder thereof ("Developer's Rooftop Surface") as generally shown on the CB-3 Site Plan and more particularly described in Exhibit A-4 attached hereto, to YBG Associates, a California limited partnership ("Developer"), of which Olympia & York California Equities Corp., a Delaware corporation, and Marriott Corporation, a Delaware corporation, are the general partners. The Leased Rooftop Surface shall be developed in accordance with the Redevelopment Plan, the provisions of this Lease and a Disposition and Development Agreement, dated _____, between Agency and Developer (the "DDA") and, as to the Developer's Rooftop Surface, a sublease between the Agency and Developer concurrently with this Lease (the "Developer Sublease").

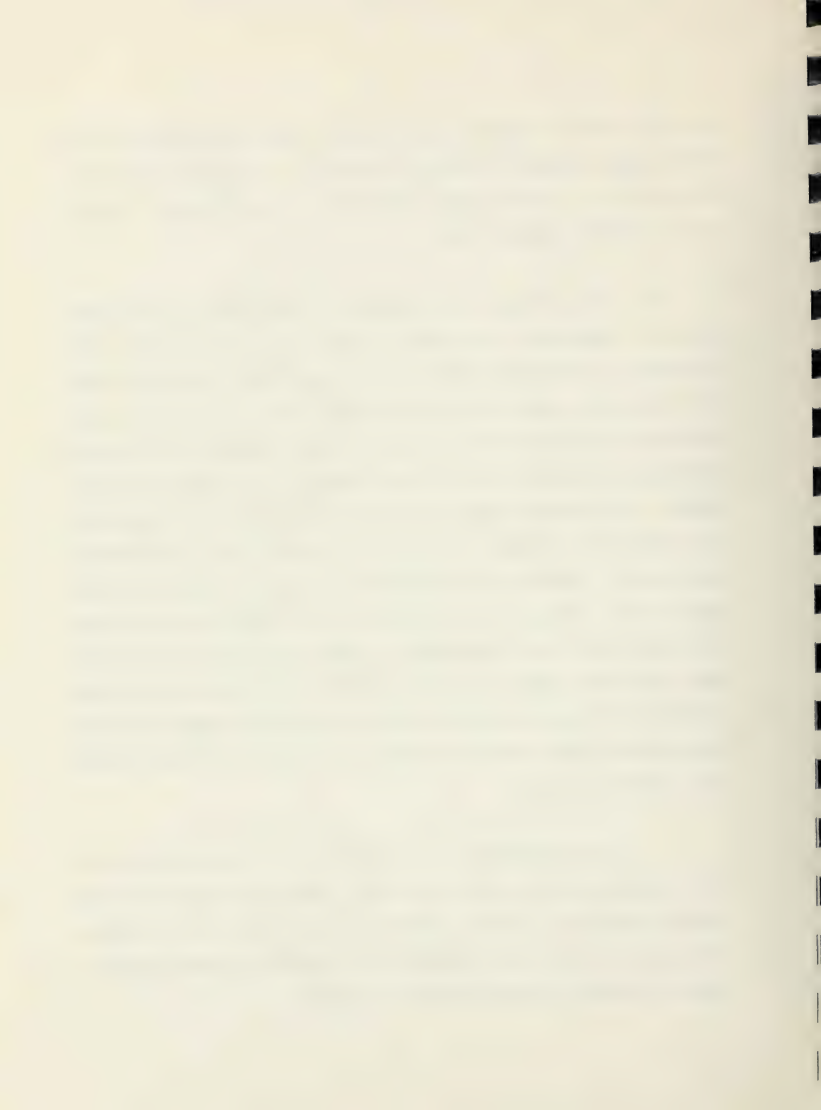
G. The development of the Leased Rooftop Surface is part of a project (the "Yerba Buena Gardens") which also includes the development of the property more particularly described in "Attachment ____" and in "Attachment ____" to the DDA (the "CB-1 Property" and the "CB-2 Property," respectively). For purposes of this Lease, the City's Rooftop Surface also shall be deemed



to be a part of Yerba Buena Gardens. The development of the Yerba Buena Gardens is being conducted in accordance with the provisions of, among other documents and agreements, the DDA and the Redevelopment Plan.

H. City, Agency and Developer have previously entered into an Agreement to Lease, dated _____, 1984 (the "Agreement to Lease"), pursuant to which City agreed to lease to Agency the Leased Rooftop Surface, and pursuant to which Developer, in accordance with the DDA, agreed to sublease Developer's Rooftop Surface from Agency. In addition, City, Agency and Developer have previously entered into a Coordination Agreement, dated _____, 1984 (the "Coordination Agreement"), pursuant to which the parties thereto agreed, among other things, to coordinate their respective efforts in connection with the development of their respective portions of the Convention Center Rooftop Surface. All conditions to the Agency and City entering into this Lease having been satisfied, the parties hereto desire to enter into a lease of such property as provided herein.

NOW, THEREFORE, in consideration of the rents to be paid hereunder and of the covenants, conditions and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:



1. LEASE OF PREMISES

1.1 Agreement. Upon and subject to the covenants, conditions and agreements hereof, City hereby leases and demises to Agency, and Agency hereby leases and takes from City, the Leased Rooftop Surface. City and Agency each covenant, as a material part of the consideration provided to the other party under this Lease, to perform and observe each and all of its respective covenants, conditions and agreements to be performed or observed under this Lease, and this Lease is made upon the condition of such performance.

1.2 Nature of Interest Conveyed by City. During the term of the CB-3 Project Lease, City's interest in the CB-3 Property and the Facilities is a leasehold estate thereunder. Upon expiration of the term of the CB-3 Project Lease and compliance with the provisions thereof, City shall become the fee owner of the CB-3 Property and the Facilities. This Lease shall constitute a sublease by City to Agency of the Leased Rooftop Surface during the period that City's interest in the CB-3 Property and the Facilities is a leasehold estate under the CB-3 Project Lease. If and when City becomes fee owner of the CB-3 Property and the Facilities, this Lease shall become a primary lease of the Leased Rooftop Surface and not a sublease. All references and provisions in this Lease with respect to any "lease," "sublease," or "sub-sublease" (including without limitation the

Developer Sublease) shall be construed in accordance with the nature of City's then current interest in the CB-3 Property and the Facilities as a leasehold estate or fee title.

2. TERM

2.1 Commencement Date. The "Commencement Date" shall be the date on which this Lease is executed by City and Agency. The entire Lease shall be recorded in the Official Records of the City and County of San Francisco, and Agency agrees to reimburse City upon demand for all reasonable costs and expenses, if any, incurred by City in connection therewith.

2.2 Lease Term. The term of this Lease shall commence upon the Commencement Date and, unless sooner terminated as provided for herein, shall continue for a period of fifty (50) consecutive years and shall terminate automatically without the requirement of any notice from City at 11:59 p.m. on the last day of the fiftieth (50th) year after the Commencement Date (the "Termination Date"). Following the Termination Date, neither Agency, nor Developer, nor any subtenant of such entities, nor any other person or entity claiming through or under Agency shall have any further right to occupy any portion of the Leased Rooftop Surface or any improvements located thereon, or to hold over in any manner in possession thereof. Except as expressly provided in Paragraphs 1.2 and 27.2 with respect to

the nature of City's and Agency's interests in the CB-3 Property, expiration of the Project Lease shall not affect this Lease.

2.3 Delivery of Premises. Agency hereby acknowledges that City has delivered possession of the Leased Rooftop Surface to Agency subject to the matters reflected in Exhibit G attached hereto and, except as expressly provided in Paragraph except as expressly provided in Paragraph 9.12(c), that: (i) such delivery of the Leased Rooftop Surface was made without representation or warranty of any kind, express or implied, on the part of City; and (ii) Agency has accepted possession of the Leased Rooftop Surface, has conducted a full and complete independent investigation of such property, and, subject to the provisions of Paragraph 9.12(c), has determined that it is suitable for Agency's proposed uses of such property.

3. RENT

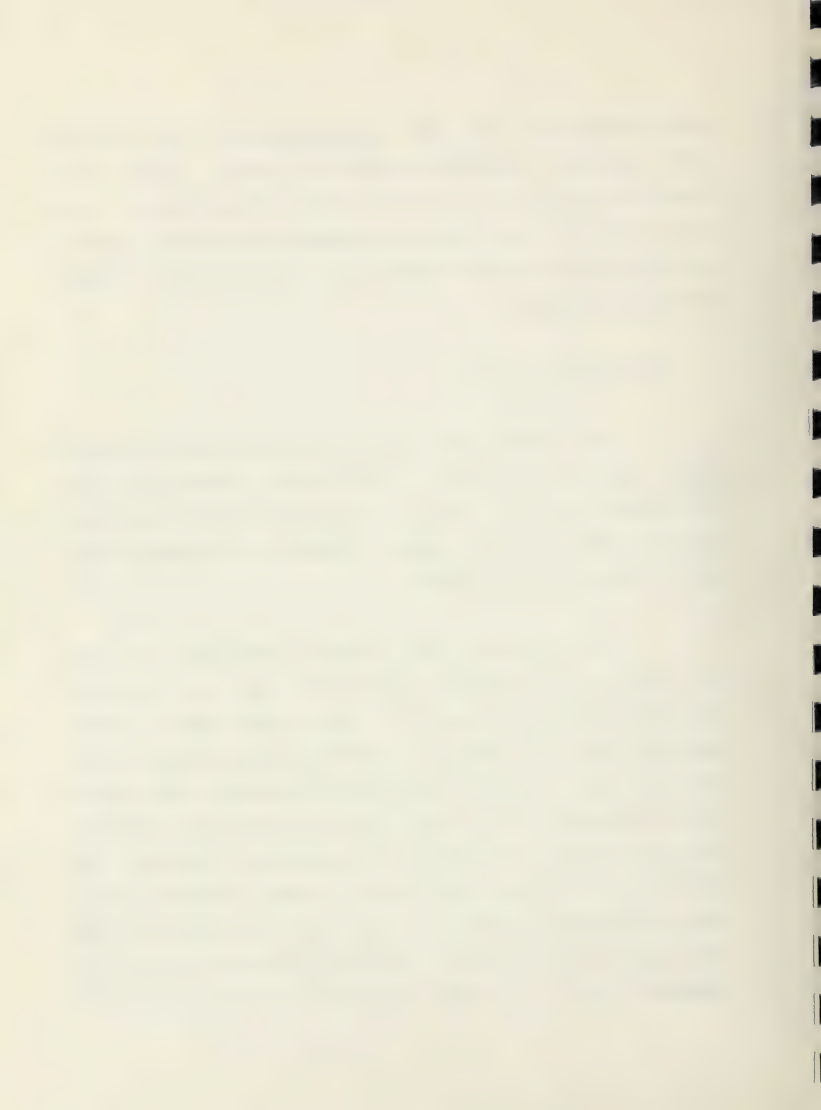
3.1 Payment Terms. From and after the Commencement Date, Agency shall pay to City Minimum Rent, Actual Percentage Rent, and Capital Return Rent (collectively, "Net Rent") as provided in this Paragraph 3. All Net Rent shall be payable to City in lawful money of the United States of America, at the times and in the manner provided in this Paragraph 3, without notice or demand, at _____, San Francisco, California, or to such

other person or at such other place as City may, from time to time, designate by written notice to Agency. Any Net Rent payable on a day other than one on which City is open to conduct its general business shall be payable on the next succeeding day on which City is so open (a "Business Day"), without penalty or premium.

3.2 Minimum Rent.

(a) Agency shall pay to City as "Minimum Rent" an amount equal to One Dollar (\$1) per annum. Minimum Rent shall be payable annually in advance on the first day of each Fiscal Year (as that term is hereinafter defined in Paragraph 3.5(e)) during the term of this Lease.

(b) City and Agency hereby acknowledge and agree that the amount of Minimum Rent payable under this Lease has been determined on the basis of, among other things, the assumptions that: (i) Agency has committed funds available to it for the purpose of satisfying certain obligations with respect to the development and operation of the Yerba Buena Gardens; and (ii) City will participate in the successful completion and operation of the Yerba Buena Gardens through Actual Percentage Rent being paid by Agency to City. Agency hereby covenants under this Lease to deposit or cause to be deposited into the Separate Account (as that term is hereinafter defined in



Paragraph 3.5(j)) all funds required to be so deposited under the provisions of Section 2.14(e) of the Retail Lease (as that term is hereinafter defined in Paragraph 3.5(f)), and to use and allow the use of any and all funds so deposited in such account only in the manner specified in the Retail Lease, and this Lease.

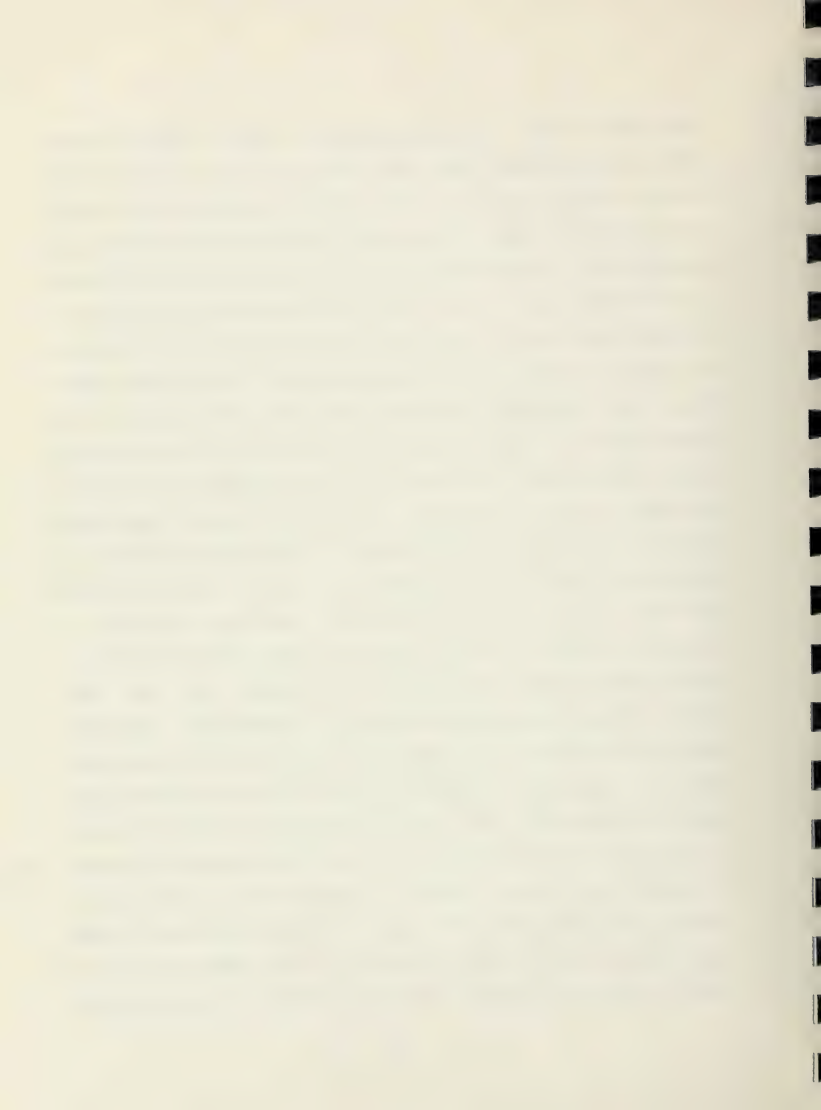
(c) City acknowledges that Agency has made no express or implied representations or warranties with respect to the amount of Actual Percentage Rent that City will receive under this Lease, and that City's and Agency's obligations hereunder shall in no way be affected if the amount of such Actual Percentage Rent is less than the amount anticipated by City as of the Commencement Date.

3.3 Percentage Rent.

(a) Agency shall pay to City as "Actual Percentage Rent" for each Fiscal Year an amount equal to either the Central Blocks Percentage Rent (as that term is hereinafter defined in Paragraph 3.5(a)) or the CB-3 Percentage Rent (as that term is hereinafter defined in Paragraph 3.5(d)) for such Fiscal Year, according to City's election under this Paragraph 3.3(a). City shall upon commencement of the term of this Lease receive Actual Percentage Rent for each Fiscal Year in an amount equal to the Central Blocks Percentage Rent for each



such Fiscal Year. City shall have the option, which option shall be exercisable once only during the term of this Lease and then only at any one of the Option Events and in the manner hereinafter provided, to elect for all succeeding Fiscal Years following such Option Event to receive Actual Percentage Rent in an amount equal to the CB-3 Percentage Rent for such succeeding Fiscal Years. The term "Option Event" shall mean each of the following: (i) the commencement of the tenth (10th) Fiscal Year following the Commencement Date, and thereafter the commencement of every fifth (5th) Fiscal Year following such tenth (10th) Fiscal Year; and (ii) the assignment or transfer by Agency of all or any part of its interest in the Leased Developer Parcels (as that term is hereinafter defined in Paragraph 3.5(h)), or its right to receive only CB-1 Office Building Revenues (as that term is hereinafter defined in Paragraph 3.5(i)), provided, that the interest so assigned or transferred, either individually or together with all such other interests previously assigned or transferred, represents the source of more than fifty percent (50%) of the aggregate revenues payable in connection with all such interests originally held by Agency (any partial percentage being computed as to each transfer in the year in which such transfer is made). City shall give Agency notice of its election to exercise its option under Paragraph 3.3(a)(i) at least one hundred eighty (180) days prior to the occurrence of the applicable Option Event, and under Paragraph 3.3(a)(ii) within one (1) year after



the occurrence of the applicable Option Event. A switch from Central Blocks Percentage Rent to CB-3 Percentage Rent shall be effective as of the beginning of the next succeeding Fiscal Year after the Fiscal Year in which City provides notice to Agency of its election to exercise its option under Paragraphs 3.3(a)(i) or 3.3(a)(ii), as applicable; provided, however, that if City provides such notice to Agency under Paragraph 3.3(a)(ii) within the last ninety (90) days of the end of a Fiscal Year, such switch shall not be effective as of the beginning of the second succeeding Fiscal Year after the Fiscal Year in which City provides such notice. City shall not be entitled to exercise the option with respect to a particular Option Event specified under Paragraph 3.3(a)(i) or (a)(ii) if City fails, within the applicable time period above specified, to exercise its option on account of such Option Event.

(b) Actual Percentage Rent shall be payable annually in arrears on or before the seventieth (70th) day following the close of each Fiscal Year. Notwithstanding the foregoing sentence of this Paragraph 3.3(b), if Actual Percentage Rent payable by Agency hereunder equals or exceeds Two Hundred Thousand Dollars (\$200,000) for two consecutive Fiscal Years, then for each succeeding Fiscal Year Agency shall within seventy (70) days of the end of each quarter of each such Fiscal Year pay Actual Percentage Rent into an interest bearing ac-

count maintained by City pursuant to the provisions of Paragraph 3.3(c).

(c) In the event that Agency shall be required under Paragraph 3.3(b) to make quarterly payments of Actual Percentage Rent, Agency shall prepare, or cause to be prepared, and submit to City, not more than fifty-five (55) days after the close of the first three quarters, and seventy (70) days after the close of the final quarter, a statement which sets forth the amount of Actual Percentage Rent determined for both (i) the quarter of the Fiscal Year just ending, and (ii) the period commencing with the beginning of such Fiscal Year and ending with the close of such quarter. Concurrently with the submission of such statement to City, Agency shall deposit into the interest bearing account established by City, an amount equal to the Actual Percentage Rent for such quarter just ending; provided, however, that Agency will not be required to deposit in such account an amount in excess of that necessary for the aggregate deposits made by Agency under this Paragraph 3.3 during such Fiscal Year to equal the Actual Percentage Rent determined for the period commencing with the beginning of such Fiscal Year and ending with the close of such quarter just ending; and provided further, that if the Actual Percentage Rent determined for such quarter just ending is not greater than or equal to zero, Agency shall be entitled to withdraw from such account an amount equal to the excess of the total

deposits made by Agency under this Paragraph 3.3 during such Fiscal Year over the Actual Percentage Rent determined for the period commencing with the beginning of such Fiscal Year and ending with the close of such quarter just ending, together with the interest accrued on such excess during such quarter just ending. After the end of each Fiscal Year and the deposit required or the withdrawal permitted by Agency under this Paragraph 3.3(c) for the final quarter of such Fiscal Year, City shall be entitled to withdraw the amount of all sums (including interest) in such interest bearing account. City and Agency each agree that no funds shall be withdrawn from the interest bearing account except as expressly permitted by this Paragraph 3.3(c).

(d) As soon as practical after delivery to City of the certified annual statement required under Paragraph 3.6(b), the Actual Percentage Rent payable for such Fiscal Year shall be adjusted between City and Agency. Agency agrees to pay to City, on demand, the amount of the deficiency in Actual Percentage Rent paid with respect to such Fiscal Year as may be necessary to effect adjustment to the agreed Actual Percentage Rent. If the Actual Percentage Rent paid by Agency to City is more than the amounts owing as shown by such certified annual statement, then at the option of Agency, the amount of such overpayment shall be refunded promptly to Agency, or shall be credited against the next due installment(s) of Net Rent; provided, that Agency shall receive credit for interest thereon

from the date City receives such certified annual statement to the date of refund or credit, as applicable, at the same interest rate received by City from the holder of such funds.

3.4 Capital Return Rent.

(a) Agency shall, subject to the provisions of this Paragraph 3.4, pay to City as "Capital Return Rent" an amount equal to six percent (6%) of the Net Proceeds of each of the following amounts received by or for the account of Agency: (i) any awards or other payments in connection with a Condemnation (as that term is hereinafter defined in Paragraph 20.1) of all or any part of the Leased Developer Parcels, the Leased Rooftop Surface or the CB-1 Office Building (for which an award is paid to the Agency for loss of the CB-1 Office Building Revenues); (ii) any insurance proceeds in connection with any insurance required to be maintained under the Retail Lease, the Hotel Lease (as that term is hereinafter defined in Paragraph 3.5(g)), this Lease, the Developer's Sublease (as that term is hereinafter defined in Paragraph 16.1), or any other lease, license or occupancy agreement with respect to all or any part of the Leased Developer Parcels or the Leased Rooftop Surface; (iii) any sale, assignment or other disposition of Agency's interest in all or any part of the Leased Developer Parcels, the Leased Rooftop Surface, or the CB-1 Office Building Revenues (as defined in Paragraph 3.5(i)); and (iv) the proceeds of

any indebtedness incurred by Agency upon the security of its interest in the Leased Developer Parcels, the Leased Rooftop Surface or the CB-1 Office Building Revenues. Notwithstanding the foregoing provisions of this Paragraph 3.4, Agency shall not be required to pay City any Capital Return Rent that would otherwise be payable under clause (iii) of this Paragraph 3.4(a) if, as a result of an Option Event specified in Paragraph 3.3(a)(ii), City elects to exercise its option to change the method of determining Actual Percentage Rent. In the event City elects to receive CB-3 Percentage Rent instead of Central Blocks Percentage Rent, the amount of Capital Return Rent shall be determined with reference to the amounts specified under clauses (i) through (iv) of this Paragraph 3.4(a) but only to the extent they have been received by the Agency on account of the Agency's interest in the Leased Rooftop Surface.

(b) The "Net Proceeds" of any amounts specified in clauses (i) through (iv) of Paragraph 3.4(a) or in this Paragraph 3.4(b) shall mean the gross revenues of the type specified, less: (i) payments made by Agency for expenses of collection, or of transfer or sale, as applicable; (ii) any such amounts under clauses (i) and (ii) of Paragraph 3.4(a) that are applied to the repair, restoration, replacement or razing of the property and improvements on account of which such amounts are paid; (iii) any such amounts under clause (iv) of Paragraph 3.4(a) used to pay costs or expenses of the type

payable under Section 2.15 of the Retail Lease, and (iv) any such amounts under clause (iv) of Paragraph 3.4(a) used to pay costs of issuance, premiums, insurance, or to establish reserves and sinking funds, or otherwise used or set aside for costs incurred in connection with the incurring of such indebtedness. In the event Agency receives any non-cash consideration other than a promissory note in connection with any of the events specified in Paragraph 3.4(a)(iii), Agency shall pay to City upon later disposition of such consideration an amount equal to six percent (6%) of the Net Proceeds of any cash received in such disposition. In the event Agency receives a promissory note as consideration in connection with any of the events specified in Paragraph 3.4(a)(iii), or in connection with the later disposition of any non-cash consideration other than promissory notes originally received in connection with any such event, Agency shall assign to City an undivided six percent (6%) interest in such promissory note, together with undivided six percent (6%) beneficial interest in any collateral securing such note. Agency's right to collect amounts under such promissory note shall be subordinate to City's right to collect its six percent (6%) interest.

(c) Any dispute between the Agency and City under this Paragraph 3.4 shall be submitted to arbitration pursuant to Paragraph 30.1.

3.5 Definitions.

(a) The term "Central Blocks Percentage Rent" shall mean: (i) for any Fiscal Year, six percent (6%) of the Central Blocks Net Revenues for such Fiscal Year; and (ii) for a quarter of any Fiscal Year, six percent (6%) of the Central Blocks Net Revenues for such quarter of a Fiscal Year.

(b) The term "Central Blocks Net Revenues" for a Fiscal Year shall mean the unencumbered and uncommitted balance of the Separate Account remaining under clause (viii) of Section 2.15 of the Retail Lease at the close of such Fiscal Year less, in addition, payments on any indebtedness referred to in Section 3.4(a)(iv) for which the City is entitled to Capital Return Rent, payments made on accrued by the Agency from excess rent pursuant to any non-disturbance agreement entered by the Agency into pursuant to the Retail Lease and the Developer Sublease, and payments made or accrued by the Agency pursuant to the Easement Agreement and this Lease (other than Minimum and Actual Percentage Rent). Amounts encumbered or committed in the Separate Account or payable by the Agency in a Fiscal Year following the close of the Fiscal Year for which Central Blocks Percentage Rent is payable, which have been taken into account in determining the Central Blocks Net Revenues for such Fiscal Year for which Central Blocks Percentage Rent is payable, shall not thereafter be taken into account for

the Fiscal Year in which they are actually paid. The Agency covenants to deposit or use its reasonable efforts to cause the deposit, of amounts into the Separate Account as required by Section 2.14 of the Retail Lease and to withdraw, or incur obligations with respect to, the sums so deposited only in accordance with the provisions of Sections 2.14 and 2.15 of the Retail Lease and, as to excess rents, any non-disturbance agreement entered into by the Agency pursuant to the Retail Lease or Developer Sublease. In the event that City disputes that any expenses paid from the Separate Account with respect to the Yerba Buena Gardens are not properly allocable to such project in accordance with the documents pertaining to the Yerba Buena Gardens Project, including, but not limited to, the DDA, the Retail Lease, the CB-1 REA (Attachment No. 16 to the DDA), this Lease, the Developer Sublease and the Easement Agreement, it may submit the matter to arbitration pursuant to Paragraph 30.1 (joining the Developer under the Developer Sublease and the Tenant under the Retail Lease) and the amount of the Central Blocks Percentage Rent as determined hereunder shall be adjusted in accordance with the resolution of such dispute.

(c) The term "Fiscal Year" shall mean: (i) for the first Fiscal Year, the period from the Commencement Date to and including December 31 of the first full calendar year following the Commencement Date; (ii) for each succeeding Fiscal Year,

excluding the Fiscal Year in which this Lease terminates, each successive twelve (12) month period thereafter during the term of this Lease; and (iii) for the Fiscal Year in which this Lease terminates, the period from the first day following the last Fiscal Year during the term of this Lease to and including the date on which this Lease terminates.

(d) The term "CB-3 Percentage Rent" shall mean: (i) for a Fiscal Year, one hundred percent (100%) of the CB-3 Net Revenues for such Fiscal Year; and (ii) for a quarter of a Fiscal Year, one hundred percent (100%) of the CB-3 Net Revenues for such quarter of a Fiscal Year.

(e) The term "CB-3 Net Revenues" shall mean the excess of (i) all payments, income and other revenues of any nature, excluding proceeds of insurance and condemnation awards and excluding payments made by the City pursuant to Paragraphs 9.3 and 11.3 hereof, paid directly to or for the account of Agency during such Fiscal Year in connection with its ownership and use of all or any part of the Leased Rooftop Surface (including without limitation the Minimum and Percentage Rent paid by Developer to Agency under Developer's Sublease) over (ii) the sum of (A) the costs and expenses (including capital and operating reserves provided for in this Lease or the Developer's Sublease) paid or payable by the Agency in connection with the security, maintenance, operation

and repair of the CB-3 Gardens (as that term is hereinafter defined in Paragraph 5.1(a)) (to the extent such amounts do not exceed the amount set forth in the CB-3 Budget for such Fiscal Year), (B) costs paid or payable by the Agency in connection with the restoration or replacement of the CB-3 Gardens to the extent not paid from proceeds of insurance or condemnation awards (provided such restoration or replacement constitutes Reconstruction, as that term is defined in Paragraph 10.1(b), or is previously approved in writing by City, which approval shall not be unreasonably withheld), (C) payments due or payable, if any, by the Agency pursuant to the Easement Agreement and this Lease (other than Net Rent), (D) payments due or payable on any indebtedness referred to in Section 3.4(a)(iv) with respect to which the City has received Capital Return Rent and (E) payments due or payable, if any, by the Agency from excess rent pursuant to the terms of any non-disturbance agreement entered into by the Agency pursuant to the Developer Sublease; provided, however, that if there will be a deficit in the Separate Account for such Fiscal Year (determined as if Agency payments due or payable during such Fiscal Year on any indebtedness referred to in Section 3.4(a)(iv) with respect to which City has received Capital Return Rent or any payments due or payable, if any, pursuant to the Easement Agreement and this Lease (other than Net Rent) or any payments due or payable during such Fiscal Year from excess rents pursuant to the terms of a non-disturbance agreement entered into pursuant to the

Retail Lease or Developer Sublease were also paid from the Separate Account, if not previously included thereunder), the amount of CB-3 Net Revenues shall be decreased by the amount of such deficit. Amounts encumbered or committed in the Separate Account or payable by the Agency in a Fiscal Year following the close of the Fiscal Year for which CB-3 Percentage Rent is payable, which have been taken into account in determining the CB-3 Net Revenues for such Fiscal Year for which CB-3 Percentage Rent is payable, shall not thereafter be taken into account for the Fiscal Year in which they are actually paid. In the event that City disputes that any expenses paid with respect to the CB-3 Gardens (or in the event there is a deficit in the Separate Account, with respect to the Yerba Buena Gardens) are not properly allocable to such Gardens (or in the event of a deficit in the Separate Account, to such project) in accordance with the documents pertaining to Yerba Buena Gardens, or the project, including but not limited to the DDA, the Retail Sublease, the CB-1 REA (Attachment No. 16 to the DDA), this Lease, the Developer Sublease and the Easement Agreement, it may submit the matter to arbitration pursuant to Paragraph 30.1 (joining the Developer under the Developer Sublease and the Tenant under the Retail Lease) and the amount of the CB-3 Net Revenues as determined hereunder shall be adjusted in accordance with the resolution of such dispute.

(f) The term "Retail Lease" shall mean that certain Lease, dated _____, pursuant to which Agency leased to Developer that certain portion of the CB-1 Property and the CB-2 Property more particularly described in Attachment No. 3 to the DDA.

(g) The term "Hotel Lease" shall mean that certain Lease, dated _____, pursuant to which Agency leased to Developer that certain portion of the CB-1 Property more particularly described in Attachment No. 3 to the DDA.

(h) The term "Leased Developer Parcels" shall mean the property originally covered by the Retail Lease and the Hotel Lease.

(i) The term "CB-1 Office Building Revenues" shall mean the revenues payable to Agency under Section 12 of the CB-1 REA.

(j) The term "Separate Account" shall mean that particular account established and maintained pursuant to Sections 2.14 and 2.15 of the Retail Lease; provided, that City shall be given prior notice before any such provisions are amended or modified and no such amendment or modification affecting City's rights to payment of Actual Percentage Rent hereunder (as reasonably determined by City) shall be effective

without the prior written consent of City, which shall not be unreasonably withheld or delayed; provided, further, that in the event the Retail Lease is terminated, such provisions shall continue in effect for the purposes of this Lease.

3.6 Reports Regarding Rent. Agency shall furnish to City the following financial statements in connection with the payment of Actual Percentage Rent:

(a) If rent is payable quarterly, as provided in Paragraph 3.3(b) within seventy (70) days after the end of each of the first three quarters in each Fiscal Year, a financial statement of operations of the Yerba Buena Gardens for the period from the beginning of such year to the end of such quarter, setting forth in each case in comparative form the corresponding figures from the most recent operating budget for such project, all in reasonable detail and certified as complete and correct in all material respects (subject to changes resulting from year-end audit adjustments) by the chief financial officer of Agency; and

(b) Within one hundred fifty (150) days after the end of each Fiscal Year, a financial statement of the Agency's operations of the Yerba Buena Gardens for such year, showing the manner in which the Actual Percentage Rent was calculated and each component thereof and all items included in the

calculation thereof (including the calculation of the Central Blocks Net Revenues in the years Central Blocks Percentage Rent is payable, and the calculation of the CB-3 Net Revenues in the years CB-3 Percentage Rent is payable), setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year, all in reasonable detail and certified as complete and correct in all material respects by the chief financial officer of Agency.

(c) Agency shall make available to City all information reasonably necessary to calculate, for informational purposes, CB-3 Percentage Rent for any Fiscal Year that Percentage Rent is payable on the basis of Central Blocks Percentage Rent. The responsibility of actually calculating the CB-3 Percentage Rent for any such Fiscal Year shall be the sole responsibility of City.

3.7 Records Regarding Rent. Agency agrees to maintain accurate and complete books and records enabling the calculation of Actual Percentage Rent (and each component thereof and all items included in the calculation thereof) for a period of not less than three (3) years after the expiration of the Fiscal Year to which such records relate. City shall have the right during normal business hours and upon reasonable notice to examine and audit, from time to time, such records and related books of account at any time during the term of this

Lease and for a period of six (6) months after the termination of this Lease. If Agency's accountant disagrees with any audit results of City's accountant, Agency and City will select a third accounting firm (the "Alternate Accounting Firm") satisfactory to both, whose audit will be determinative of the Actual Percentage Rent due. If such audit shall disclose an underpayment of Actual Percentage Rent to City which is five percent (5%) or more in excess of the Actual Percentage Rent theretofore computed and paid by Agency for such Fiscal Year, then Agency shall pay for the cost of such audit; otherwise, City shall pay for the cost of such audit. If the parties are unable to agree on an Alternate Accounting Firm within 30 days of demand by either party, the Actual Percentage Rent due shall be submitted to arbitration pursuant to Paragraph 30.1. Any additional Actual Percentage Rent which is ultimately determined to be payable shall be paid to City within ten (10) days of such determination, with interest at the Interest Rate from the date such Actual Percentage Rent was payable hereunder. The Interest Rate is defined for purposes of this provision as the average rate of interest earned on City investments (as determined from time to time by City) but in any event not to exceed the maximum legal interest applicable to the Agency for debts incurred by it.

3.8 Net Lease; Limited Right of Offset.

(a) This Lease shall be deemed and construed to be a "net lease," and Agency shall pay to City all rent and other payments due hereunder, free of any charges, assessments, impositions or deductions of any kind or nature, whether foreseen or unforeseen, and without any abatement, deduction or setoff whatsoever; provided, however, that Agency shall be entitled to offset against amounts Agency must pay to City under this Lease any amounts, if any, owing from City to Agency in accordance with the provisions of this Lease and the Easement Agreement, including, without limitation, any amounts for which City has not appropriated funds or, if appropriated, has not paid, under Paragraphs 9.16(b) and 11.3(b), within the time period required therein.

(b) Under no circumstances or conditions, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the parties, shall City be expected or required to make any payment of any kind whatsoever or be under any obligation or liability with respect to the Leased Rooftop Surface, except as expressly provided in this Lease and the Easement Agreement. Without limiting the generality of the foregoing provisions, and subject to the provisions of this Lease and the Easement Agreement, Agency shall bear sole responsibility for the payment of each and every item of cost or

expense of every kind and nature whatsoever for the payment of which City would otherwise be or become liable by reason of its estate or interest in the Leased Rooftop Surfaces, or by reason of or in any manner connected with or arising from the demolition, construction, maintenance, repair, rebuilding, remodeling, renovation, use or occupancy of any improvements or buildings upon the Leased Rooftop Surface, or any portion thereof, or the leasing, operation, management, financing, encumbrance, transfer or other disposition thereof.

3.9 Additional Rent. All monetary sums payable by Agency to City under the terms of this Lease other than Net Rent (including, without limitation, any amounts payable under Paragraphs 2.1, 3.6, 7.1, 7.3, 8.2 and 13.1) shall be payable to City as additional rent for the Leased Rooftop Surface ("Additional Rent"). City shall have such rights with respect to the collection of Additional Rent as it does with respect to Net Rent.

4. EASEMENTS

Simultaneously with the execution of this Lease, City, Agency and Developer have entered into a Reciprocal Easement Agreement in the form of Exhibit B attached hereto (the "Easement Agreement"), and have caused such Easement Agreement to be recorded in the Official Records for the City and County of San Francisco.

5. USE OF CONVENTION CENTER ROOFTOP SURFACE

5.1 Definitions.

(a) The term "CB-3 Gardens" shall mean that portion of the Leased Rooftop Surface sometimes referred to herein as Agency's Rooftop Surface and described on the CB-3 Site Plan as "Gardens Parcels." The CB-3 Gardens also include the Bridges (as defined in Paragraph 9.1(b)) except for purposes of determining the City's share of capital costs under Paragraph 9.16 and the City's share of the costs of the CB-3 Budget under Paragraph 11.3.

(b) The term "CB-3 Retail Area" shall mean that portion of Developer's Rooftop Surface more particularly described on the CB-3 Site Plan as "Retail Parcels."

(c) The term "CB-3 ARE Area" shall mean that portion of Developer's Rooftop Surface more particularly described on the CB-3 Site Plan as "ARE Parcels."

(d) The term "Occupant" shall mean City, Agency, Developer and any other person, firm or entity entitled by lease or sublease to use and occupy any area within the Convention Center Rooftop Surface.

(e) The term "Permittees" shall mean any Occupant and their respective officers, directors, employees, agents, partners, contractors, customers, visitors, invitees, licensees and concessionaires.

5.2 Use of the CB-3 Gardens. The CB-3 Gardens shall be used only for the following purposes related to the businesses and activities conducted on the CB-3 Property:

(a) Amusement, recreation and entertainment attractions, both active and passive;

(b) Promotional events (as defined in the Developer Sublease);

(c) Ingress and egress by any Occupants or Permittees to and from any portion of the Convention Center, the Convention Center Rooftop Surface, and the public streets adjacent thereto;

(d) Installation, maintenance, operation, repair and restoration of public utilities and services for the Agency's Rooftop Surface or buildings located thereon, including, without limitation, vaults, manholes, meters, transformers, pipelines, valves, hydrants, sprinkler controls, conduits, sewage facilities, and all related facilities, all of which shall

whenever and wherever reasonably feasible be located below the surface of Agency's Rooftop Surface, or the surface of any above-ground improvements located thereon (provided, however, that in any event (i) all of the foregoing permitted public utilities and installations which are located above the surface shall be placed so as not to unreasonably interfere with, restrict or impede other uses of the CB-3 Gardens, and (ii) no such public utilities and installations, which may be located above the surface of the Agency's Rooftop Surface shall be installed without the prior written consent of City which consent shall not be unreasonably withheld or delayed);

(e) Pedestrian traffic by Occupants and Permittees;

(f) Comfort and convenience of Occupants and Permittees by installation of rest rooms and minor convenience facilities, such as mailboxes, public telephones and benches (provided, however, that no such minor convenience facilities shall unreasonably interfere with, restrict or impede other uses of the CB-3 Gardens provided for herein);

(g) Placement, replacement, maintenance and repair of monument or pylon signs and directional indicators (provided, however, that such monument or pylon signs shall otherwise comply with all of the restrictions of this Lease);

(h) Uses for any rights and easements granted under the Easement Agreement to the extent and in the manner provided therein; and

(i) Placement, replacement, maintenance, security, operation and repair and restoration of the CB-3 Gardens.

5.3 Other Uses of the CB-3 Gardens.

(a) Agency shall have the right to license or otherwise authorize the use of any portion of the CB-3 Gardens for temporary, limited retail purposes and promotional events and to make an appropriate charge for such use. Any revenues received by the Agency from the use of the CB-3 Gardens shall be used, after first paying for any costs attributable to such event, to pay costs and expenses provided for in the CB-3 Budget. Agency shall bear all the costs of staging any such event, and the security therefor and clean-up thereof.

(b) In no event shall Agency use the CB-3 Gardens, or permit such property to be used for any of the following purposes: (i) any activity of a type which is not in accordance with good and generally accepted standards of operation; (ii) except as required by law, (A) any parade, rally, patrol, picket, demonstration, or other conduct that might tend to unreasonably interfere with or unreasonably impede the access

to or use of any of the CB-3 Gardens by any Occupant or Permittee, or create a disturbance, harass, annoy, disparage or otherwise engage in conduct detrimental to the interest of any Occupant or Permittee, (B) throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind, or (C) use any sound-making device of any kind or create or produce in any manner noise or sound that is annoying, unpleasant or distasteful to any Occupant or Permittee; (iii) deface, damage or demolish any sign, light standard or fixture, landscaping material or other improvement; or (iv) lodging purposes.

5.4 Use of CB-3 Retail Area. The CB-3 Retail Area shall be used only for retail uses and shall be operated as a first-class retail complex having a broad range of quality consistent with the size and location thereof. Agency shall use its best efforts, or shall cause best efforts by Developer to be used, consistent with Agency's prudent judgment in the administration and enforcement of Developer's Sublease, to operate the CB-3 Retail Area in a first-class manner for such uses. If any use permitted hereunder is terminated by operation of the provisions of Paragraph 5.6(f), the Agency may convert or permit the conversion of the improvements affected thereby to any other commercial use not incompatible with the uses permitted hereunder.

5.5 Use of CB-3 ARE Area. Agency shall use its best efforts, or shall cause best efforts by Developer to be used, consistent with Agency's prudent judgment in the administration and enforcement of Developer's Sublease, to initially use the CB-3 ARE Area or cause such area to be used solely for the ARE purposes specified for the CB-3 ARE Parcels in the Scope of Development (Attachment No. 5 to the DDA). City expressly acknowledges and agrees that Agency may change, or permit the change of, the use of any portion of the CB-3 ARE Area to any other ARE use or to any use permitted hereunder with respect to the CB-3 Retail Area; provided, however, that Agency shall provide City with written notice at least thirty (30) days in advance of the date Agency shall implement or allow such a change. If any use permitted hereunder is terminated by operation of the provisions of Paragraph 5.6(f), the Agency may convert or permit the conversion of the improvements affected thereby to any other commercial use not incompatible with the uses expressly permitted hereunder.

5.6 Use Restrictions on Leased Rooftop Surface.

(a) Agency shall not itself, nor shall Agency permit Developer or any other person or entity to: (i) create, cause, maintain or permit any nuisance within or about the Convention Center Rooftop Surface or any part of the Facilities; (ii) commit or suffer to be committed any waste within or about the

CB-3 Property, the Convention Center Rooftop Surface or any part of the Facilities; or (iii) do or permit to be done anything which would constitute a Materially Adverse Use by Agency or a Materially Adverse Structural Effect by Agency. Notwithstanding the foregoing, Agency shall not be deemed in default under Paragraph 5.6(a)(iii) if Agency is diligently performing its obligations under Paragraphs 5.6(d) and 5.6(e), nor in default under Paragraph 5.6(a)(i) or (ii) with respect to any action or inaction by Developer or any person or entity in possession of all or any part of Developer's Rooftop Surface if Developer is not in default under Developer's Sublease.

(b) The term "Materially Adverse Use by Agency" shall mean any use of all or any part of the Leased Rooftop Surface by the Agency or Developer or persons acting under or through them which, in City's reasonable judgment: (i) materially and adversely impacts the operation or use of the Convention Center, City's Rooftop Surface, any other portion of the Facilities or City's Building Systems (as that term is hereinafter defined in Paragraph 5.6(c)); (ii) is of a repetitive or continuing nature; and (iii) the adverse effects of which are reasonably avoidable by Agency modifying, or requiring Developer or others to modify, the use of the Leased Rooftop Surface; provided, that an adverse effect shall be deemed to be reasonably avoidable by Agency only if such avoidance and the cost thereof (whether a cost to Agency or Developer or both) does

not materially decrease the profitability of the Leased Rooftop Surface or the Developer's Improvements thereon; provided further, that if Agency or Developer shall dispute City's determination as being unreasonable, the issue of whether there exists a Materially Adverse Use by Agency (and not the reasonableness of the City's determination thereof) shall be submitted to arbitration pursuant to Paragraph 30.1. City and Agency each expressly agree and acknowledge that construction activity on the Leased Rooftop Surface will by its nature and because of the relationship between the Leased Rooftop Surface, City's Rooftop Surface and the Convention Center, result in certain inconvenience and interference with City's use of the Convention Center, and the development and use of City's Rooftop Surface. City and Agency agree that such construction work, if performed in accordance with the provisions of this Lease and the Coordination Agreement, will not constitute a Materially Adverse Use by Agency.

(c) The term "Materially Adverse Structural Effect by Agency" shall mean any activity, condition, use, construction or operation existing or occurring on any part of the Leased Rooftop Surface that, in City's reasonable judgment, materially and adversely impacts on the physical structure of the Convention Center, City's Building Systems, City's Improvements or any other portions of the Facilities; provided, that if Agency or Developer shall dispute City's determination as

being unreasonable, the issue of whether there exists a Materially Adverse Structural Effect by Agency (and not the reasonableness of the City's determination thereof) shall be submitted to arbitration pursuant to Paragraph 30.1. The term "City's Building Systems" shall mean any electrical, mechanical, plumbing, heating, ventilation and air conditioning, life safety or other building system contained in the Convention Center, any improvements on the City's Rooftop Surface, and any other portion of the Facilities.

(d) Agency shall promptly take or cause the Developer to take such actions with respect to the Leased Rooftop Surface as City shall determine are reasonable and necessary to eliminate or cause the elimination of any Materially Adverse Use by Agency; provided, that if Agency or Developer shall dispute that the manner of such elimination as determined by City is unreasonable or unnecessary, the matter shall be submitted to arbitration pursuant to Paragraph 30.1. In the event that construction work on the Leased Rooftop Surface is necessary to eliminate any Material Adverse Use by Agency, such work shall be subject to the provisions of Paragraph 10. Agency shall pay or cause the Developer to pay the entire amount of the costs and expenses of action required under this Paragraph 5.6(d) if such costs and expenses are not material.

In the event the costs and expenses of eliminating any Material Adverse Use by Agency are material, Agency shall promptly prepare or cause the Developer to prepare a budget with respect to such costs and expenses and submit the same to City. Such budget shall be in sufficient detail, and accompanied by such bids or estimates for work covered thereby so as to permit City to determine the reasonableness thereof. If City shall dispute the reasonableness of all or any part of such budget, and such dispute cannot be resolved by mutual agreement, the matter shall be submitted to arbitration pursuant to Paragraph 30.1.

City shall pay to Agency or Developer, as the case may be, any material costs and expenses for eliminating a Materially Adverse Use by Agency in accordance with such approved budget. Agency shall submit or cause Developer to submit to City, along with any requests for the payment of such costs and expenses, such invoices, progress reports, or other supporting documentation as City may reasonably request to confirm that the payment requested is in accordance with such approved budget.

(e) Agency shall cooperate fully with City, and shall cause any Occupant in possession of all or any part of the Leased Rooftop Surface to cooperate fully with City, in eliminating any Materially Adverse Structural Effect by Agency,

and subject to the provisions of this Paragraph 5.6(e), shall promptly take or cause any Occupant to take such reasonable actions as City may direct in order to effect such elimination. City, in its reasonable discretion, shall have the right to determine the manner in which any Materially Adverse Structural Effect by Agency shall be eliminated, including whether any of Agency's Improvements or Developer's Improvements must be modified to eliminate such effect; provided, however, that it shall be deemed unreasonable for City to require Agency to modify Agency's Improvements or to require Developer to modify Developer's Improvements if (i) the cost of modifying Agency's Improvements or Developer's Improvements, or the effect on the functionability of such improvements following such modification, is disproportionately large compared to the cost of modifying the Convention Center or other portions of the Facilities or of making other structural modifications to provide any necessary support and the resulting impact on the functionability of the Convention Center and City's Improvements, and (ii) in City's reasonable judgment, modifying the Convention Center or other portions of the Facilities or making other structural modifications in order to provide any necessary support will not (A) materially interfere with the use and operation of the Convention Center and City's Improvements, (B) materially weaken or otherwise materially and adversely affect the structural integrity of the Convention Center or City's Improvements, or (C) materially impair the interior or exterior

aesthetics or functionability of the Convention Center or City's Improvements. Any required modifications to Agency's Improvements or Developer's Improvements shall be subject to the provisions of Paragraph 10. Subject to the rights of Agency under the Redevelopment Plan, and as lessor under the Project Lease, City shall in all cases directly control any modifications to the Convention Center or City's Improvements. Agency shall bear or cause Developer to bear all costs and expenses of any action Agency is required to take or cause Developer to take under this Paragraph 5.6(e) and shall reimburse or cause Developer to reimburse City upon demand for any costs and expenses City incurs in eliminating a Materially Adverse Structural Effect by Agency.

If Agency is required to eliminate, or City takes action to eliminate, any Materially Adverse Structural Effect by Agency, and such elimination delays Agency's ability to otherwise complete or cause the completion of Agency's Improvements or Developer's Improvements within the time periods required under this Lease, such time periods shall be extended by the duration of such delay, including the time required to resolve any dispute between the Agency, City and Developer. Any dispute between the Agency and/or Developer and City arising under this Paragraph 5.6(e) as to the existence of the conditions or facts referred to herein (and not the reasonable-

ness of the City's judgment) shall be submitted to arbitration pursuant to Paragraph 30.1.

(f) In the event a court of competent jurisdiction renders a final judgment that determines City is prevented from paying rent for the CB-3 Property in accordance with the provisions of the CB-3 Project Lease because a use of the Leased Rooftop Surface (whether by Agency, Developer or any other person or entity) causes such substantial interference with the Convention Center so as to prevent it from being available for use and occupancy by City for its intended purposes, such use of the Leased Rooftop Surface shall be deemed to be a "Materially Adverse Use by Agency" and subject to the provisions of this Lease applicable with respect to any such use. Notwithstanding any provision of this Lease, Agency and City agree that: (i) in all cases such a court determination shall conclusively establish the existence of a Material Adverse Use by Agency and neither Agency nor Developer shall have any right to submit the matter to arbitration; (ii) Agency and Developer shall not have the right to submit to arbitration any dispute regarding the manner of eliminating a Material Adverse Use by Agency arising under this Paragraph 5.6(f) unless the entity disputing such manner provides security acceptable to City in its sole and absolute discretion that the rent under the Project Lease will be paid during the period of resolution of such dispute and the elimination of such Material Adverse Use by

Agency; and (iii) the provisions of this Paragraph 5.6(f) shall apply at all times during the term of the CB-3 Project Lease (including during any construction on the Leased Rooftop Surface).

5.7 Prohibited Uses on Convention Center Rooftop Surface.

Neither City nor Agency shall use or permit the use of all or any portion of the Convention Center Rooftop Surface for any of the following purposes: (a) shops, restaurants or theatres which deal in sexually explicit materials or performances; (b) massage parlors; (c) schools and professional offices, except for management or administrative offices related to any permitted ARE uses; (d) eleemosynary institutions not selling foods or services; (e) wholesale (but not off-price offerings to the general public) operations; (f) retail shops (excluding antique stores) in excess of 10,000 square feet carrying primarily major appliances and/or home or office furniture or equipment that cannot be hand-carried after purchase; (g) any use of a type not consistent with the operation of the Leased Rooftop Surface in accordance with good and generally accepted standards, as determined by Agency in its reasonable discretion in the administration and enforcement of Developer's Sublease; (h) office space (other than office space connected with a use otherwise permitted hereunder), including without limitation banks, financial institutions, brokerage and security operations, travel agencies, real estate agencies, clinics or

professional offices, without the prior approval of City which approval will not be unreasonably withheld; (i) health clubs, or active (physical) recreation components such as tennis courts and shuffleboard facilities; (j) health/exercise facilities such as par courses, jogging tracks, court games; (k) live animal displays; (l) boat rides; (m) outdoor movies; (n) typical pinball or video game arcades; (o) amusement rides (except temporary use for special events, or as related to major indoor ARE uses); (p) service facilities unrelated to uses permitted under this Lease; (q) curiosity attractions such as wax museums; (r) private clubs or facilities; (s) large freestanding amusement rides; or (t) typical carnival pitch games. Notwithstanding any of the foregoing, nothing in this Paragraph 5.7 is intended to restrict or affect the price at which permitted goods or services are sold.

5.8 Use of City's Rooftop Surface.

(a) City shall use City's Rooftop Surface only for: (i) the operation of meeting rooms in connection with the Convention Center, or ancillary purposes thereto; (ii) the operation of a restaurant of not more than ten thousand (10,000) square feet; and (iii) other purposes consistent with the operation of the Convention Center Rooftop Surface as a first-class facility and compatible with the use of the Leased Rooftop Surface permitted by this Lease. In the event City's

Improvements to City's Rooftop Surface are delayed or deferred, City shall at all times maintain the City's Rooftop Surface in a clean, first-class condition, compatible with the Agency's Improvements and Developer's Improvements, and in accordance with the standards and limitations of this Lease. Notwithstanding the foregoing, City shall not, without Agency's written consent (which shall not be unreasonably withheld), use all or any portion of City's Rooftop Surface for any purpose (except as specified in Paragraph 5.8(a)(i) and (ii)) that will be providing substantially similar goods and services to those being provided under any then current use by Agency or Developer of the Leased Rooftop Surface that is permitted under this Lease. City shall provide Agency with at least thirty (30) days' advance written notice prior to any proposed significant change in its use of all or any part of City's Rooftop Surface. If Agency disputes that the proposed use is permitted by this Paragraph 5.8, it may submit the matter to arbitration.

(b) City shall not itself, nor shall City permit any other person or entity, (i) to do or permit to be done anything which would constitute a Materially Adverse Use by City (provided, however, that City shall not be deemed in default under this Paragraph 5.8(b) if City is diligently performing its obligations under Paragraph 5.8(d)); (ii) create, cause, maintain or permit any nuisance within or about the Convention Center Rooftop Surface or any part of the Facilities or the

Agency's or Developer's Improvements; or (iii) commit or suffer to be committed any waste within or about the CB-3 Property, the Convention Center Rooftop Surface or any part of the Facilities or the Agency's or Developer's Improvements.

(c) The term "Materially Adverse Use by City" shall mean any use of all or any part of the City's Rooftop Surface which, in Agency's reasonable judgment: (i) materially and adversely impacts the operation or use of the Leased Rooftop Surface; (ii) is of a repetitive or continuing nature; and (iii) the adverse effects of which are reasonably avoidable by City modifying the use of City's Rooftop Surface; provided, that an adverse effect shall be deemed to be reasonably avoidable by City only if such avoidance and the cost thereof does not materially decrease the profitability of City's Rooftop Surface; provided further, that if City shall dispute Agency's determination as being unreasonable, the issue of whether there exists a Materially Adverse Use by City (and not the reasonableness of the Agency's determination thereof) shall be submitted to arbitration pursuant to Paragraph 30.1. City and Agency each expressly agree and acknowledge that construction activity on City's Rooftop Surface will by its nature and because of the relationship between the Leased Rooftop Surface and City's Rooftop Surface result in certain inconvenience and interference with the development and use of the Leased Rooftop Surface. City and Agency agree that such construction work, if

performed in accordance with the provisions of this Lease and the Coordination Agreement, will not constitute a Materially Adverse Use by City.

(d) City shall promptly take such actions as Agency shall determine are reasonable and necessary to eliminate or cause the elimination of any Materially Adverse Use by City; provided, that if City shall dispute that the manner of such elimination as determined by Agency is unreasonable or unnecessary, the matter shall be submitted to arbitration. In the event that construction work is necessary to eliminate any Material Adverse Use by City, such work shall be subject to the provisions of Paragraph 10. City shall pay the entire amount of the costs and expenses of action required under this Paragraph 5.8(d) if such costs and expenses are not material.

In the event the costs and expenses of eliminating any Material Adverse Use by City are material, City shall promptly prepare a budget with respect to such costs and expenses and submit the same to Agency. Such budget shall be in sufficient detail, and accompanied by such bids or estimates for work covered thereby so as to permit Agency to determine the reasonableness thereof. If Agency shall dispute the reasonableness of all or any part of such budget, and such dispute cannot be resolved by mutual agreement, the matter shall be submitted to arbitration.

Agency shall pay or cause Developer to pay to City any material costs and expenses for eliminating a Materially Adverse Use by City in accordance with such approved budget. City shall submit to Agency, along with any request for such costs and expenses, such invoices, progress reports or other supporting documentation as Agency may reasonably request to confirm that the payment requested is in accordance with such approved budget.

5.9 Effect on Insurance. Neither City nor Agency shall do anything or permit anything to be done or to exist within or about the Convention Center, the Convention Center Rooftop Surface, or any other portion of the CB-3 Property which is specifically identified by City with reasonable notice thereof to Agency and Developer and shall: (a) invalidate, cause the cancellation of, or be in conflict with the provisions of any fire or other insurance policies covering any part of the CB-3 Property or the Facilities, and required by the CB-3 Project Lease or this Lease; (b) result in a refusal by any insurance company of good standing to insure any part of the CB-3 Property or the Facilities in accordance with the provisions of the CB-3 Project Lease or this Lease; or (c) at any time cause any increase in the insurance rates applicable to any part of the CB-3 Property or the Facilities for any insurance required to be carried in accordance with the provisions of the CB-3 Project Lease or this Lease (except for such increases as are

reasonably necessary due to the development of the Convention Center Rooftop Surface as contemplated hereunder, or unless the person responsible for any such increase shall pay, or cause to be paid, the full amount of any such increase).

5.10 Compliance With Mitigation Measures. Agency shall comply or cause Developer to comply (with respect to Developer's Rooftop Surface) with the mitigation measures attached hereto as Exhibit L.

6. COMPLIANCE WITH LAWS AND ORDINANCES

6.1 Laws and Ordinances. City and Agency, as applicable, shall at no cost or expense to the other, comply with or cause compliance with, all Laws and Ordinances now or hereafter applicable to all or any part of the Leased Rooftop Surface (in the case of Agency) or the City's Rooftop Surface (in the case of City). It is expressly understood and agreed that the performance required of City and Agency under this Paragraph 6.1 shall include the obligation to make, or cause to be made, at no cost or expense to the other, all additions to, modifications of, and installations on, to or within the Leased Rooftop Surface (in the case of Agency) or City's Rooftop Surface (in the case of City) which may be lawfully required hereby, including without limitation any such actions which may be required by any of the authorities, bodies, or persons with



jurisdiction or authority over all or any part of such portions of the Convention Center Rooftop Surface, or by any laws, regulations, or rules covering all or any part of such portions of the Convention Center Rooftop Surface. City and Agency each agree to use reasonable efforts to cooperate with each other in their respective efforts to comply with all Laws and Ordinances.

6.2 Definitions. The term "Laws and Ordinances" shall mean all present and future laws, ordinances, rules, regulations, permits, authorizations, orders and requirements applicable to or otherwise affecting all or any part of the Convention Center Rooftop Surface (including, without limitation, any vault space, sidewalks, curbs or alleyways) or any use or operation thereof or any buildings, improvements or activities thereon (including, without limitation, all consents or approvals required to be obtained from, and all rules and regulations of, and all building, zoning, land use, redevelopment and environmental laws of all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, or any other body or bodies exercising similar functions).

7. IMPOSITIONS

7.1 Payment of Impositions. Agency acknowledges and agrees that this Lease and/or any sublease hereunder may create a possessory interest subject to property taxation. Except as to those payments for which City is responsible pursuant to this Lease or the Easement Agreement, Agency agrees to pay or cause to be paid, before any fine, penalty, interest or cost may be added thereto for the nonpayment thereof, all Impositions which are or may heretofore have been or shall hereafter be assessed, levied, confirmed, imposed or become a lien upon the Leased Rooftop Surface, or any part thereof, or have or shall become payable prior to the commencement of, or during the term of, this Lease. If, by law, any Imposition may be paid in installments, Agency may pay the same (and any accrued interest thereon) in installments before any fine, penalty, interest or cost may be added thereto for the nonpayment thereof. Agency will pay or reimburse City, as the case may be, for any fine, penalty, interest or cost which may be added by the collecting authority for the late payment or nonpayment of any Imposition required to be paid by Agency hereunder. Unless there shall have occurred an Event of Default, all Impositions imposed for the tax year in which this Lease shall terminate shall be apportioned between Agency and City. Upon demand made from time to time by City, Agency will furnish to City for inspection, within ninety (90) days after the date when any

Imposition (unless being contested in conformity with Paragraph 16) would become delinquent, official receipts of the appropriate taxing authority, or other proof satisfactory to City evidencing the payment of such Imposition.

7.2 Impositions. The term "Impositions" shall mean all taxes (including, without limitation, transit taxes and all other taxes, housing assessments, assessments or impositions to pay for governmental services or other benefits of any nature whatsoever, and possessory interest taxes associated with this Lease or the execution hereof), assessments (including, without limitation, all assessments for public improvements or benefits, whether or not commenced or completed prior to the date hereof and whether or not to be completed within the term of this Lease), fees, water, sewer or similar rents, rates and charges, excises, levies, vault license fees or rentals, license fees, permit fees, inspection fees and other authorization fees and other governmental charges, assessments, levies or monetary requirements of any kind or nature whatsoever, whether general or special, ordinary or extraordinary, foreseen or unforeseen, or hereafter levied or assessed in lieu of or in substitution of any of the foregoing of every character (including all interest and penalties thereon), which at any time during or in respect of the term hereof may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon the Leased Rooftop Surface or on any property of City if such

assessment, levy, confirmation or imposition is attributable to this Lease or the activities of Agency on or with respect to the Leased Rooftop Surface, or on any buildings or improvements which are now or hereafter located thereon, or on any personal property of Agency or any subtenant or any other person, now or hereafter located thereon, or on the leasehold estate created hereby, or on any sublease created thereunder, or which may be imposed upon any taxable interest of Agency acquired pursuant to this Lease, or any part thereof, or which may be levied upon or measured by the rent payable hereunder, including, without limitation, any gross receipts tax levied by the City and County of San Francisco, the State of California, the Federal government or any other governmental body with respect to receipt of any rent or other payment by City under or pursuant to this Lease. The term "Impositions" shall also include any taxes and assessments imposed by any governmental authority by virtue of any operations by Agency or any person or entity in possession of all or any part of the Leased Rooftop Surface, conducted on or relating to all or any portion of the Leased Rooftop Surface, and any taxes imposed by the State of California or any taxing authority with respect to (i) the rental income from real estate (whether or not denominated a gross receipts tax), (ii) the square footage of the Leased Rooftop Surface, (iii) the act of entering into this Lease, (iv) the occupancy of all or any part of the Leased Rooftop Surface by Agency or any other person or entity, or (v) any

other tax, fee, or excise, however described, including a so-called value added tax. The term "Imposition" shall not include any franchise, capital levy or property transfer tax imposed upon City, or any income, profits or excess profits tax to the extent based on City's income from any sources other than this Lease, or any tax which may, at any time during the term of this Lease, be required to be paid on any gift, mortgage or other alienation of any part or all of the estate of City in and to the Leased Rooftop Surface or any buildings or improvements located thereon.

7.3 Payment by City. If Agency, in violation of the provisions of this Lease, shall fail to pay or cause to be paid and to discharge or cause to be discharged any Imposition (subject to right to contest as provided hereunder), City may (but shall not be obligated to) pay or discharge such Imposition, and the amount paid by City and the amount of all costs, expenses, interest and penalties connected therewith, including attorneys' fees, shall be deemed to be and shall be payable by Agency as Additional Rent and shall be reimbursed to City by Agency on demand.

8. SERVICES AND UTILITIES

8.1 Payment by Agency; Waiver. Agency shall pay or cause to be paid as the same become due all charges for all public or

private utility services for the Leased Rooftop Surface (including, without limitation, water, gas, electricity, sewer, cable, air conditioning, telephone and telecommunications). Agency, for the benefit of itself and any and all persons or entities claiming under it, hereby expressly waives any and all claims against City, its officers, employees and agents for compensation, damages, payments or offset based upon or with respect to any and all loss or damage now or hereafter sustained by Agency or any other person or entity by reason of any defect, deficiency, failure or impairment of whatever kind or nature in any public or private utility service furnished or supplied to or used by Agency or any other party in connection with the use, occupancy, maintenance, or operation of all or any part of the Leased Rooftop Surface (provided, however, that Agency shall not be deemed to have waived any such claims arising on account of the active negligence or wilfull act or omission of City, its officers, employees or agents, or to the extent expressly permitted under the Easement Agreement).

8.2 Agency's Building Systems.

(a) Agency shall be responsible for the construction, maintenance and repair of all pipes, conduits, ducts, cables and other systems required for the distribution of all services and utilities throughout the Leased Rooftop Surface and any buildings and improvements constructed thereon, and

City shall have no responsibility or liability of any kind whatsoever therefor, except to the extent expressly provided in the Easement Agreement. Agency shall also be responsible for securing the delivery of all such services and utilities to the Leased Rooftop Surface. Agency shall be permitted to utilize the sanitary and storm sewer lines serving the Facilities and City's Rooftop Surface; provided, however, that Agency shall not connect with any such lines until City has approved in writing Agency's plans and specifications for such connection, as provided for in Paragraph 9; and provided, further, that any such connection shall not unreasonably interfere with or impair the operation of such lines (except as reasonably necessary during the actual connection thereto), nor shall Agency's connection interfere with the ability of such lines to meet the needs of City created by the development, use and operation of the Facilities and City's Rooftop Surface as provided herein and in the Easement Agreement.

(b) Agency's connections to such lines shall be designed and installed in a manner satisfactory to City to ensure that any charges for Agency's use of such lines for any sanitary, storm sewer or other services will be separately billed to Agency, and City will have no liability therefor except as expressly provided in the Easement Agreement. In addition, Agency shall reimburse City upon demand for all costs and expenses incurred by City in connection with the mainte-

nance, repair, reconstruction or replacement of such lines, or any part thereof, arising as a consequence of or otherwise equitably allocable to Agency's connection with or use of such lines. Agency shall indemnify City and hold City harmless from and against any and all loss, cost, liability, damage and expense (including reasonable attorneys' fees and costs) incurred by City as a consequence of or arising out of Agency's connection with or use of such lines, except that Agency shall not be required to indemnify and hold City harmless from any such damages arising from the active negligence or wilfull act or omission of City or to the extent expressly permitted under the Easement Agreement.

9. CONSTRUCTION OF IMPROVEMENTS

9.1 Definitions.

(a) The term "Agency's Improvements" shall mean any buildings, structures or other improvements now or hereafter erected or constructed on Agency's Rooftop Surface;

(b) The term "Pedestrian Bridges" shall mean one or more pedestrian bridges constructed from the CB-2 Property to the Convention Center Rooftop Surface above Howard Street;

(c) The term "Developer's Improvements" shall mean any buildings, structures or other improvements now or hereafter erected on Developer's Rooftop Surface;

(d) The term "City's Improvements" shall mean any buildings, structures or other improvements now or hereafter erected or on City's Rooftop Surface;

(e) When used in connection with Agency's Improvements, Developer's Improvements or City's Improvements, the term "Initial Construction" shall mean all construction activities in connection with the initial development of Agency's Rooftop Surface, Developer's Rooftop Surface or City's Rooftop Surface, as applicable.

(f) The term "Construction Documents" for any improvements to be constructed on the Convention Center Rooftop Surface shall mean the Basic Concept Drawings, the Schematic Drawings, the Preliminary Construction Documents, and the Final Construction Documents relating to such improvements, as each of those terms is more particularly described in Part III of the Scope of Development (Attachment No. 5 to the DDA).

9.2 Compliance with Redevelopment Requirements.

Agency shall be solely responsible for determining whether the Construction Documents for any improvements to be

constructed on the Convention Center Rooftop Surface are in compliance with the applicable requirements of the Redevelopment Plan, the Declaration of Restrictions, the DDA and the CB-3 Project Lease.

9.3 Submission of Construction Documents.

Agency shall prepare or cause to be prepared and submit to City the Construction Documents for Agency's Improvements and Developer's Improvements for review, approval and comment by City as provided in Paragraph 9.4. Such preparation and submission shall be on or before the times established in the Schedule of Performance (Attachment No. 6 to the DDA, as extended as provided in the DDA) (the "Schedule of Performance"). City shall prepare and submit to Agency and Developer the Construction Documents for City's Improvements for review and approval by Agency, and for review and comment by Developer, all as provided in Paragraph 9.6.

9.4 City's Review of Construction Documents.

(a) City shall be entitled to review and reasonable approval, in a timely manner consistent with the time for Agency and Developer submissions as set forth in the Schedule of Performance, of the Construction Documents for Agency's Improvements and Developer's Improvements only for matters of

(i) structural soundness and engineering compatibility with City's Improvements and the Facilities, and (ii) compatibility with City's Building Systems. City shall not be entitled under this Lease to review or approve the Construction Documents for Agency's Improvements or Developer's Improvements for compliance with building codes or regulations, or any other applicable law or regulation relating to construction standards or requirements, or the interiors of structures.

(b) In addition to the review rights provided City under Paragraph 9.4(a), City shall be entitled to review the Construction Documents for Agency's Improvements and Developer's Improvements to ensure that such improvements and the use thereof, and the construction process as outlined therein, will not result in a Materially Adverse Structural Effect by Agency; provided that City's review for such purpose shall be subject to all of the requirements and limitations of Paragraphs 5.6(c), (e) and (f). City shall also have the right to review and comment on the Construction Documents for Agency's Improvements, and to review and comment on the Construction Documents for Developer's Improvements, with respect to architectural appearance and aesthetics, and landscape design, but shall have no approval rights with respect thereto except as set forth in Subparagraph (a).

(c) Agency and City hereby acknowledge that there are currently vents housed in freestanding structures on the

Convention Center Rooftop Surface (collectively, the "Vents") which may need to be restructured in order to accommodate Agency's Improvements and Developer's Improvements. In addition to the other approval rights of City under this Paragraph 9.4, City shall have the right to disapprove any proposed restructuring of the Vents if City in its reasonable discretion determines that the proposed restructuring will materially adversely affect the ability of the Vents to fully serve the purpose for which they are originally intended to serve; provided that if the Agency or Developer shall dispute the City's disapproval hereunder, the question of whether the proposed restructuring will materially adversely affect the ability of the vents to fully serve the purposes for which they are originally to serve (and the reasonableness of the City's disapproval) shall be submitted to arbitration pursuant to Paragraph 30.1.

(d) City's review and approval of the Construction Documents for Agency's Improvements and Developer's Improvements pursuant to this Paragraph 9 shall, subject to the standards and limitations of this Paragraph 9.4, be final and conclusive except where it is required to be reasonably exercised. City undertakes to act in good faith in the review and approval of Construction Documents for Agency's Improvements and Developer's Improvements. City will not subsequently disapprove or require changes in the Construction Documents for Agency's Improvements or Developer's Improvements (except by

mutual agreement with Agency, and in the case of Construction Documents for Developer's Improvements, Developer as well) in, or in a manner which is inconsistent with, matters which it has previously approved and which are within the scope of its approval rights hereunder. If there is disagreement between City and Agency, or between City and Developer, as to whether or not a matter contained in a particular submittal has been previously approved or is within the scope of the City's approval rights hereunder, City's reasonable judgment shall apply in resolving the disagreement, subject to arbitration pursuant to Paragraph 30.1 as to the fact in dispute (and not the reasonableness of City's judgment).

9.5 Scope of Submission of Construction Documents.

The following provisions shall apply to all submissions of Construction Documents to City and Agency, as the case may be, for Agency's Improvements, Developer's Improvements or City's Improvements. Each successive stage of such Construction Documents is intended to constitute a further development and refinement from the previous stage. The Schematic Drawings are intended to refine those design elements shown on the Basic Concept Drawings and to set forth basic design concepts in areas where the Basic Concept Drawings do not show the same. The Preliminary Construction Documents to Agency's Improvements or Developer's Improvements shall incorporate any City

conditions, modifications and changes specified by City in accordance with the standards and limitations set forth in Paragraph 9.4 for City approval of the Schematic Drawings, and the Preliminary Construction Documents for City's Improvements and Developer's Improvements shall incorporate any Agency conditions, modifications and changes specified by the Agency for its approval of the Schematic Drawings. Preliminary Construction Documents shall be in sufficient detail and completeness to show that the improvements covered thereby and the construction thereof will be in compliance with the provisions of Paragraph 9.4(b), and matters previously approved by City. The Final Construction Documents shall be a final development of and be based upon and conform to the approved Preliminary Construction Documents and shall incorporate any City conditions, modifications and changes specified by City in accordance with the standards and limitations set forth in Paragraph 9.4 for its approval of the Preliminary Construction Documents and any Agency conditions, modifications and changes specified by the Agency for its approval of the Preliminary Construction Documents. The Final Construction Documents shall include all drawings, specifications and documents necessary for the construction and completion of Agency's Improvements, Developer's Improvements and City's Improvements, in accordance with this Lease.

Documents.

(a) Developer shall have the right of reasonable review and comment, only with respect to the Schematic Drawings for City's Improvements. Such right of reasonable review and comment by Developer shall be based solely on and limited to whether City's Improvements are compatible with Agency's Improvements and Developer's Improvements with respect to the quality and type of exterior materials, pedestrian access points, and delivery and service areas.

(b) Agency and Developer each undertake to act in good faith in the review and approval, or the review and comment, as applicable, with respect to the Construction Documents for City's Improvements. Agency will not subsequently disapprove or require changes (except by mutual agreement with City) in, or in a manner which is inconsistent with, matters which Agency has previously approved. If there is disagreement as to whether or not a matter contained in a particular submittal has been previously approved, Agency's reasonable judgment shall apply in resolving the disagreement.

(c) Nothing in this Lease, including without limitation any provision of this Paragraph 9.6, shall be construed to limit Agency's rights with respect to the Developer's

Construction Documents under the DDA, and, with respect to the Developer's and City's Construction Documents, under the CB-3 Project Lease and pursuant to the Redevelopment Plan. Agency shall have the right of review and approval, in its sole discretion, as to the Construction Documents for City's Improvements and (subject to the provisions of the DDA) as to the Construction Documents for the Developer's Improvements.

9.7 Changes.

No changes shall be made in any Construction Documents for City's Improvements, Agency's Improvements, or Developer's Improvements approved under this Lease by City or Agency (including the Final Construction Documents in the case of approvals by City) as to elements previously approved or required to be approved under this Paragraph 9, without the express written consent from the entity whose approval is required under this Paragraph 9; provided, however, if certain materials approved by the Agency or City are not available for construction, the Developer may substitute materials which are the architectural equivalent as to aesthetic appearance, quality, color, design and texture, as determined by the Agency and as those matters which are required hereunder to be approved by City, as determined by the City in the exercise of reasonable discretion. Any dispute concerning the exercise by the Agency of its discretion provided for in the immediately preceding

sentence shall be submitted to arbitration pursuant to Paragraph 30.1. Agency and City as to matters subject to City approval shall expeditiously respond to a requested change in the Final Construction Documents, in writing, but in any event within twenty-one (21) days after submission of the request to Agency and/or City. No change requiring Agency or City approval shall be implemented until such approval has been obtained.

9.8 As-Built Documents.

Agency shall use due diligence, or shall cause Developer to use due diligence, to furnish to City the as-built plans, specifications and surveys for Agency's Improvements and Developer's Improvements. Agency shall include, or shall cause to be included by Developer, in every general construction contract for Agency's Improvements or Developer's Improvements, a clause requiring the contractor to deliver as-built plans, specifications and surveys for all work performed by the contractor or any subcontractor within a reasonable time after construction has been completed.

9.9 Conflict Between Redevelopment Requirements and Building Standards.

(a) City shall not withhold any required approval of elements of the Construction Documents for Agency's Improvements or Developer's Improvements, or changes thereto, required by any governmental body if the following has occurred: (i)

City has been afforded a reasonable opportunity to discuss such element or change with the governmental body having jurisdiction of and requiring such element or change, and with the Agency's or Developer's architect; and (ii) Agency's or Developer's architect shall have fully cooperated with City and with the governmental body having jurisdiction in seeking reasonable modifications of such requirement, or reasonable design modifications of Agency's Improvements or Developer's Improvements, or some combination thereof, all to the end that a design solution reasonably satisfactory to City and approved by it, as to matters subject to its approval under this Paragraph 9, may be achieved despite the imposition of said requirement. Notwithstanding the foregoing provisions of this Paragraph 9.9(a), in no event shall City be required to approve any element of any Construction Document for Agency's Improvements or Developer's Improvements, or changes therein required by a governmental body if the same would result in a Materially Adverse Structural Effect by Agency, provided that City's review and approval for such purposes shall be limited to all of the requirements and limitations of Paragraphs 5.6(c), (e) and (f).

(b) City and Agency recognize that the kind of conflict described in this Paragraph 9.9 may arise at any stage in the preparation of the Construction Documents for Agency's Improvements or Developer's Improvements, but that it is more likely to arise at or after the time of the preparation of the

Final Construction Documents and may arise in connection with the issuance of building permits by the Bureau of Building Inspections of the City and County of San Francisco. Accordingly, time may be of the essence when such a conflict arises. City agrees to use its best efforts to expeditiously reach a solution that is mutually satisfactory to such Bureau of Building Inspections, City, Agency and the Developer.

9.10 Method of Approval by City.

(a) Subject to the standards and limitations of this Paragraph 9, City's review and approval of Construction Documents for Agency's Improvements and Developer's Improvements shall mean and require as to each of the submittals (namely Basic Concept Drawings, Schematic Drawings, Preliminary Construction Documents and Final Construction Documents) review and approval by the Chief Administrative Officer of the City and County of San Francisco. Such review and approval by City shall be independent of any approvals that Agency or Developer may be required to obtain from the City and County of San Francisco (including from the Bureau of Building Inspections and the Department of Public Works thereof) under the requirements of applicable municipal law, and review and approval by City under this Paragraph 9 shall in no way be deemed to be approval under such requirements or in any way affect the nature or manner of approvals required under such laws.

(b) Subject to the standards and limitations of this Paragraph 9, City shall approve or disapprove the Construction Documents for Agency's Improvements and, where applicable, Developer's Improvements in writing, within the times established in the Schedule of Performance. Failure by City to either approve or disapprove within the times provided therein shall entitle Agency and Developer to an extension in completing its construction obligations under this Paragraph 9 for the period of such delay. Placing the written approval or disapproval by City in the mail or hand-delivery within the times established by the Schedule of Performance shall be deemed timely.

(c) If City disapproves the Construction Documents for Agency's Improvements or Developer's Improvements, in whole or in part, City in the written disapproval may also propose changes and make other recommendations as to those items subject to City approval under this Paragraph 9. A resubmittal may be made as expeditiously as possible. Agency may continue to make, or cause to be made, resubmissions until the submission is approved or until the time for resubmission expires. If City disapproves the Schematic Drawings for Agency's Improvements or Developer's Improvements, Agency shall have an additional thirty (30) days to resubmit such drawings and the date for submission of Preliminary Drawings for Agency's Improvements or Developer's Improvements, as applicable, shall be

extended for thirty (30) days if and only if work on such Preliminary Drawings cannot proceed in a meaningful manner until approval of such Schematic Drawings.

9.11 Method of Approval by Agency.

Review and approval by Agency of the Construction Documents for City's Improvements shall mean and require review and approval only by Agency's staff, and, if deemed necessary by Agency's staff, the governing body of the Agency. Agency shall approve or disapprove the Construction Documents for City's Improvements, in writing, within the times to be mutually agreed to by City and Agency, consistent with the Schedule of Performance (Attachment No. 6 to the DDA). The placing of written approval or disapproval by Agency in the mail or hand-delivery within the times so agreed upon shall be deemed timely. If Agency disapproves the Construction Documents for City's Improvements, in whole or in part, Agency in the written disapproval may also propose changes and make other recommendations. A resubmittal shall be made by City as expeditiously as possible. City shall continue making resubmissions until the submissions are approved by Agency.

9.12 Obligation to Commence Construction of
Improvements on Leased Rooftop Surface.

[Note: THIS SECTION IS TO BE REVISED TO CONFORM WITH
SIMILAR PROVISIONS IN THE AGREEMENT TO LEASE]

(a) Agency shall, in accordance with the times set forth in the Schedule of Performance, construct, or cause to be constructed, Agency's Improvements and Developer's Improvements in accordance with the respective Construction Documents for such improvements approved by City as to those items requiring City approval under the provisions of this Paragraph 9.

(b) City shall, in accordance with the times set forth in the schedule of performance therefor approved by the Agency, construct City's Improvements in accordance with the Construction Documents for such improvements approved by the Agency, except to the extent such requirement has been delayed or deferred by City with the approval of the Agency.

(c) In the event that the load-bearing capacity of the Leased Rooftop Surface is less than the capacity set forth on Exhibit C attached hereto (the "Assumed Rooftop Capacity"), Agency shall make reasonable efforts to modify Agency's Improvements or to cause the modification of Developer's Improvements so that the actual load-bearing capacity of the Leased Rooftop Surface will accommodate such modified improvements. Notwithstanding the provisions of Paragraph 9.12(a), Agency

shall be relieved of its obligations to construct Agency's Improvements and Developer's Improvements if it is not economically feasible to modify such improvements to meet the actual load-bearing capacity of the Leased Rooftop Surface because of either: (i) the increase in construction costs attributable to such modifications; or (ii) any reductions in size in Agency's Improvements or Developer's Improvements required by reason of such modifications. If there is any dispute with respect to the actual load-bearing capacity of the Leased Rooftop Surface or the economic feasibility of any modifications to Agency's Improvements or Developer's Improvements necessary to accommodate such actual load-bearing capacity, the matter shall be submitted to arbitration (joining the Developer) pursuant to Paragraph 30.1. Agency's time to perform its obligations with respect to the Leased Rooftop Surface shall be extended to accommodate any reasonable delays caused by required modifications to the Agency's Improvements or program or the Developer's Improvements or program.

Agency acknowledges and agrees that the sole effect of the Assumed Rooftop Capacity not in fact being true is expressly set forth in this Paragraph 9.12 and in Paragraph 9.19. In no event shall City be liable in any manner whatsoever to Agency, Developer or any other person or entity on account of the Assumed Rooftop Capacity not in fact being true. Agency and/or Developer shall be entitled to exercise any rights such entities may otherwise have to recover damages from

the outside engineering firm retained by City to determine the Assumed Rooftop Capacity which are caused by the actual load-bearing support of the Leased Rooftop Surface being less than the Assumed Rooftop Capacity; provided, however, that the exercise such right shall be subordinate and subject to City's rights to recover damages it suffers as a result of there in fact being such a lesser load-bearing support.

(d) In the event Agency is relieved of its obligation under this Paragraph 9 to construct Agency's Improvements and Developer's Improvements, Agency, City and Developer, as to its Sublease, shall each have the option to terminate this Lease upon thirty (30) days' written notice to the other.

9.13 Conditions to Commencement of Initial Construction on Leased Rooftop Surface. Except as expressly permitted under the Agreement to Lease, Agency shall not undertake any work, nor permit the undertaking of any work, in connection with the Initial Construction of Agency's Improvements or Developer's Improvements (including, without limitation, any work required to prepare the Leased Rooftop Surface for construction of any of such improvements or the delivery to, or placement of, any building or construction materials of any kind or nature upon the CB-3 Property or the Convention Center Rooftop Surface) until each of the following events shall have occurred:

(a) City shall have approved, to the extent required by and subject to the standards and limitations of this Paragraph 9, the Final Construction Documents for the proposed Initial Construction;

(b) All permits, licenses, authorizations and approvals for the commencement of such Initial Construction, as required by any governmental bodies, agencies, commissions or departments having or claiming jurisdiction with respect to such construction, shall have been procured and paid for in accordance with applicable law, and it reasonably appears that all other permits, licenses, authorizations and approvals required to complete fully such Initial Construction will be available when needed;

(c) Any Event of Default theretofore occurring hereunder shall have been fully and completely cured; and

(d) City has received a certificate from Agency that any construction guarantees and bonds which Developer is required to provide to Agency pursuant to the DDA as a condition to commencement of construction of the Developer's Improvements have been delivered to Agency and are in full force and effect.

9.14 Notice of Commencing Work. City and Agency shall give each other written notice of their intent to begin any construction work upon the Convention Center Rooftop Surface

(and Agency shall cause Developer to give such notice with respect to Developer commencing such construction) not later than thirty (30) days prior to the earlier of the proposed date of commencement of such work, or the proposed date for the first delivery to the CB-3 Property of any building or construction materials of any kind or nature with respect to such work.

9.15 General Manner of Construction. All development and construction work on the Convention Center Rooftop Surface (whether Initial Construction or Subsequent Construction, as that term is defined in Paragraph 10.1(a)) shall be performed in accordance with the approved Construction Documents for such improvements, and in compliance with: (a) all applicable laws, ordinances and regulations of any governmental authority having jurisdiction over such construction; (b) all permits, licenses, authorizations and approvals issued by any such governmental authority for such construction; (c) the terms and conditions of the Redevelopment Plan and the DDA as determined by the Agency; and (d) any written rules, regulations or agreements adopted pursuant to the provisions of the Coordination Agreement (if such work is performed during the term of that agreement). All such work shall also be done promptly and in a good and workmanlike manner.

9.16 Agency's Liability for Costs of Construction.

(a) Subject to the provisions of Paragraph 9.16(c), Agency shall perform or cause the performance of its construction obligations under this Paragraph 9 at its or Developer's sole cost and expense, and City shall have no liability for such costs or expenses except as otherwise expressly provided in this Lease and the Easement Agreement. City shall have the right to post such notices of nonresponsibility on or about the CB-3 Property and the Convention Center Rooftop Surface as are consistent with its obligations under this Lease.

(b) City shall pay forty-five percent (45%) of the CB-3 Gardens Construction Costs, as set forth on the Gardens Construction Budget approved pursuant to the Agreement to Lease. City acknowledges that prior to its execution of this Lease it has taken all legally required actions for the appropriation of money for such payment. Agency shall give City thirty (30) days advance written notice of any cost or expense for which Agency desires City to pay its pro rata share. Agency shall also provide City with such supporting documentation or other information available to the Agency as City may reasonably require to determine that the cost or expense is payable by City in accordance with the provisions of the Gardens Construction Budget and this Lease. City shall pay to Agency such pro rata share within thirty (30) days of receiving

the request and all required supporting information or documentation. In no event will City be required to approve any request for, or make payment in connection with, any requested pro rata payment of less than One Thousand Dollars (\$1,000.00) (said amount to be carried forward to the next pro rata payment request), nor more frequently than monthly. In the event that City and Agency cannot resolve any dispute regarding City's obligation to pay its pro rata share of costs under this Paragraph 9.16, the matter shall be submitted to arbitration in accordance with the provisions of Paragraph 30.1, provided that amounts not in dispute shall be timely paid.

(c) In the event that City approves a restructuring of the Vents in accordance with the provisions of Paragraph 9.4(c), Agency shall pay or cause Developer (if such restructuring of the Vents is required by reason of Developer's Improvements) to pay all costs and expenses with respect thereto. City shall be entitled to determine whether such work will be done by or at the direction of City, or of Agency. If City elects to perform such work itself, the provisions of Paragraph 5.7(d) with respect to the payment by Agency of the costs and expenses of eliminating a Material Adverse Use by City shall apply to the payment of the costs and expenses of restructuring the Vents. If City elects to have Agency or Developer perform or direct such work, such work shall be considered to part of the Initial Construction of Agency's Improvements and/or Devel-

oper's Improvements, as applicable, at the Developer's cost in either case.

9.17 Right to Stop Work.

(a) At all times during the Initial Construction and any Subsequent Construction of Agency's Improvements or Developer's Improvements, City and its authorized representatives shall have the right to enter upon and inspect the Leased Rooftop Surface and the work of construction thereon; provided, that City shall provide reasonable notice to Agency and/or Developer, as applicable, and shall be accompanied by a representative of Agency and/or Developer, as applicable. City shall be under no duty to undertake any such inspections, and City shall have no liability or responsibility for any failure by City to make any such inspections or for any failure to discover any defects or deficiencies in any construction in the event City makes any such inspections. City shall promptly make available to Agency and/or Developer, as applicable, the results of any inspections conducted pursuant to this Paragraph 9.17(a).

(b) In addition to any rights or powers granted City under municipal law, City under this Lease shall be entitled to order any and all work of construction on the Leased Rooftop Surface to cease immediately and for a period of twenty-four

(24) hours if City reasonably and in good faith determines that the continuation of such work will result in any Materially Adverse Structural Effect by Agency; provided, however, that if the Superior Court for the City and County of San Francisco is not open the day on which such twenty-four (24) hour period ends, such period during which work must cease may be extended to 5:00 p.m. (P.S.T.) on the next day such court is open; provided, that City's right to stop work in excess of twenty-four (24) hours shall be subject to City's good faith effort to obtain a court order of the type described below in Paragraph 9.16(c) within such twenty-four (24) hour period. In all cases, City shall attempt to notify Agency and/or Developer and obtain their cooperation in stopping work and minimizing any threat of a Material Adverse Structural Effect by Agency before ordering any persons actually on the Convention Center Rooftop Surface to stop work. City's right to stop work under this Paragraph 9.17 shall be absolute and, except as specifically provided in Paragraph 9.18, City shall not be liable to Agency, Developer or any other person or entity in any manner whatsoever as a consequence of the exercise of such right.

(c) In addition to City's right to stop work under Paragraph 9.17(b), City shall be entitled to have the continuation of any such work permanently enjoined upon a determination in the Superior Court for the City and County of San Francisco that such continuation will result in any Materially Adverse

Structural Effect, and shall be entitled to such temporary injunctions as may be available under applicable laws. Any injunctive relief provided by such court shall be upon such conditions as such court may require, including the posting of a bond to cover damages for which City could be held liable under applicable laws and codes. The provisions of Paragraph 5.6(e) regarding Agency's obligation to eliminate any Material Adverse Structural Effect shall apply to any such effect arising during any construction work on the Leased Rooftop Surface. The time during which Agency is otherwise required under this Lease to construct, or cause to be constructed, Agency's Improvements and Developer's Improvements shall be extended by any delays caused by City exercising its right under this Paragraph 9.17 to stop such work.

9.18 Liability for Stopping Work.

(a) Except as expressly provided in Paragraph 5.6(d) and this Paragraph 9.18, Agency and Developer shall bear all risk of loss whatsoever arising as a consequence of City's exercise of its right under Paragraph 9.17(b) to order a cessation of work, or under Paragraph 9.17(c) to obtain an injunction, with respect to any construction on the Leased Rooftop Surface (including consequential damages and any other loss, cost, liability, damage or expense that might be suffered or incurred by Agency, Developer, any general contractor, any

subcontractor, materialman or supplier, any subtenant or other person or entity claiming any interest in the Leased Rooftop Surface under or through Agency or Developer as a consequence of City's exercise of such right). Agency and Developer shall be entitled to recover on any bond posted by City in order to obtain an injunction under Paragraph 9.16(c) to the extent and on the conditions specified by the court issuing such injunction.

(b) In the event that (i) City orders cessation of construction work pursuant to Paragraph 9.17(b), (ii) such work was being performed in accordance with the Construction Documents previously approved by City, and (iii) City incorrectly determined the existence or imminent threat of a Materially Adverse Structural Effect by Agency, then City shall be liable solely to Agency and Developer, and solely for any monetary penalties or increased costs of construction on account of any construction delay resulting from City's order and suffered by Agency or Developer under any construction agreements with any contractors or subcontractors as a direct result of City's order to stop work. Agency and Developer hereby expressly acknowledge and agree that in no event shall City be liable to any person or entity (including Agency or Developer) for any consequential damages of any nature whatsoever, including loss of use or business, loss of profits, or any other damage or loss to or of any business or other interests (whether of Agency, Developer or any other person or entity).

9.19 Damage to Convention Center. Except as provided in Paragraph 9.12(c), Agency (and Developer, as to Developer's Rooftop Surface) shall be liable for any damage or injury to the Convention Center or any other part of the Facilities caused by any work of construction on the Leased Rooftop Surface, including without limitation any leaks caused in the roof of the Convention Center; provided, however, that Agency and Developer shall not be liable for any such damage or injury which would not have occurred if the load-bearing capacity of the Leased Rooftop Surface was in fact at least as great as the Assumed Rooftop Capacity determined as provided in Paragraph 9.12(c). Subject to the foregoing exception, Agency (and Developer, as to Developer's Rooftop Surface) shall indemnify City and hold City harmless from and against any and all loss, cost, liability, damage and expense, including, without limitation, reasonable attorneys' fees and costs, incurred or suffered by City arising, in whole or in part, out of any such construction or any defect or deficiency in the design or construction thereof.

9.20 Notice of Completion. Upon the completion of any of Agency's Improvements or Developer's Improvements, Agency shall file or cause to be filed in a timely manner in the Official Records of the City and County of San Francisco, California, a Notice of Completion with respect to such improvements. Agency shall also provide or cause to be provided to City within ten

(10) days after receipt thereof, a Final Certificate of Occupancy duly issued by the proper governmental authority evidencing Agency's or Developer's right to occupy and use Agency's Improvements or Developer's Improvements. Upon completion, all such work shall be free and clear of all liens and encumbrances of any nature whatsoever, including, without limitation, Mechanics' Liens; provided, however, that nothing in this Paragraph 9.20 shall prohibit any lien permitted under Paragraph 21. Notice of Completion hereunder shall not be deemed a Certificate of Completion and Right to Occupy which shall be issued by the Agency for the Developer's Improvements only in the manner provided in the DDA.

10. ALTERATION OR CHANGES; SUBSEQUENT CONSTRUCTION.

10.1 Definition.

(a) The term "Subsequent Construction" shall mean all repairs, reconstruction, replacement, addition, expansion, restoration, alteration or modification of any of City's Improvements, Agency's Improvements or Developer's Improvements, other than the Initial Construction thereof.

(b) The term "Reconstruction" shall mean any Subsequent Construction (i) in accordance with Construction Documents originally approved by City or Agency, as applicable, or

(ii) where such Subsequent Construction involves replacement using the same exterior design, exterior materials, exterior color or roof as originally approved by City or Agency, as applicable, or if materials originally installed are not reasonably available or do not meet current code requirements, the materials involved are equal in quality, durability and appearance to the materials originally used.

10.2 Approval Requirements.

(a) Any Subsequent Construction (other than any Reconstruction, or any demolition or razing permitted or required hereunder) changing the density, bulk or height of any of City's Improvements, Agency's Improvements or Developer's Improvements, or affecting the exterior design, exterior materials, exterior color or the roof of any of such improvement (other than any storefronts on Developer's Improvements which shall be governed by the provisions of Paragraph 10.2(b)) shall require the approval of Agency (in the case of such Subsequent Construction with respect to City's or Developer's Improvements) or of City (in the case of such City required approval of Subsequent Construction with respect to Agency's Improvements or Developer's Improvements). Such approval of City shall be limited to the matters set forth in Paragraph 9.4 (in the case of Subsequent Construction with respect to Agency's Improvements or Developer's Improvements). If City or Agency

believes any Subsequent Construction regarding the Leased Rooftop Surface (in the case of Agency) or City's Rooftop Surface (in the case of City) does not require the consent of the other entity, then at least thirty (30) days prior to commencement of such Subsequent Construction, the entity undertaking or permitting the undertaking of such Subsequent Construction shall so notify the other entity in writing. Such notice shall be accompanied by Final Construction Documents, if any, for such Subsequent Construction. Within thirty (30) days after receipt of such notice from such undertaking entity, the other entity shall have the right to object on the basis that such Subsequent construction requires the approval of the other such entity. Any dispute regarding whether approval of Subsequent Construction is required under this Paragraph 10.2 may be submitted to arbitration pursuant to Paragraph 30.1.

(b) No approval need be obtained for Subsequent Construction for individual storefronts on Developer's Improvements if such Subsequent Construction complies with the storefront criteria contained in Exhibit I to this Lease and provided, that not more than ten percent (10%) of individual storefronts on such Improvements may fail to meet such criteria if such non-conforming storefronts are otherwise compatible with the first-class design standards of the CB-3 Property. The design of any proposed storefront on Developer's Improvements which does not meet the criteria, but which Developer

believes is nonetheless compatible with the first-class design standards of the CB-3 Property shall be submitted to Agency's Executive Director for review and approval as provided in the Developer Sublease and to the City for review and comment.

10.3 Manner of Approval of Construction Documents for Subsequent Construction.

(a) If City's approval of Construction Documents is required under this Paragraph 10, Agency shall prepare and submit to City, or shall cause to be so prepared and submitted, Schematic Drawings, Preliminary Construction Documents and Final Construction Documents for such proposed Subsequent Construction. If Agency's approval or Developer's comments of Construction Documents are required under this Paragraph 10, City shall prepare and submit to Agency Schematic Drawings, Preliminary Construction Documents and Final Construction Documents for such proposed Subsequent Construction. All such Construction Documents submitted to City or Agency must be complete. Any disapproval by City or Agency shall be made in writing within thirty (30) days after written submission. In addition, if City (as to items subject to its approval) or Agency deems the Construction Documents submitted to it to be incomplete, the party receiving such documents shall notify to the other party of such fact within thirty (30) days after

written submission and such notification shall constitute a disapproval of such Construction Documents.

(b) The Final Construction Documents submitted to City or Agency for any Subsequent Construction with respect to City's Improvements, Agency's Improvements or Developer's Improvements shall be sufficient in form and detail to the reasonable satisfaction of the party requested to approve the same and shall conform, except as specifically allowed by such party, to the approved Schematic Plans and Preliminary Construction Documents. If any revisions or corrections of Construction Documents as to items subject to approval by a party under this Paragraph 10 shall be required by any governmental authority, the Chief Administrative Office of City in its capacity as landlord hereunder and Agency, whichever is the party whose approval is required, shall cooperate in efforts to obtain waiver of such requirements or to develop a mutually acceptable alternative. If no such alternative is developed, the party whose approval is required shall be bound by such revisions or corrections if they are not inconsistent with the approved Construction Documents.

(c) City and Agency shall each approve or disapprove Construction Documents for Subsequent Construction that are submitted to it (and any proposed changes therein) within the times established in Paragraph 10.3(a) hereof. Failure by City

or Agency to either approve or disapprove within such times shall be deemed a written approval. Any disapproval shall state in writing the reasons for disapproval. City and Agency, upon receipt of any disapproval by the other party, shall revise, or cause the revision of, such portions disapproved in a manner that is an appropriate evolution of previously approved Construction Documents. Revised portions of the Construction Documents shall be resubmitted to City or Agency, as applicable, as soon as possible after receipt of the notice of disapproval. City and Agency, as applicable, shall approve or disapprove such revised portions in the same manner and within the same times as provided in Paragraph 10.3(a) for approval of Construction Documents (and any proposed changes therein) initially submitted to such entity. If City desires to make, with respect to items subject to City approval, or Agency desires to make any substantial change in the Final Construction Documents for any Subsequent Construction with respect to Agency's Improvements or Developer's Improvements after approval of such documents, by City, or if City desires to make any substantial change in the Final Construction Documents for any Subsequent Construction with respect to City's Improvements, the party desiring to make such change shall submit the proposed change to the other party for its approval as required hereunder. If such Final Construction Documents as modified by the proposed change are consistent with the plans previously approved, the other party shall approve the proposed change and

notify the submitting party in writing within thirty (30) days after submission. Such change in the Final Construction Documents for any Subsequent Construction with respect to City's Improvements, Agency's Improvements or Developer's Improvements shall, in any event, be deemed approved by the party whose approval is required unless rejected, in whole or in part, by written notice thereof by such party setting forth in detail the reasons therefor, and such rejection shall be made within said thirty (30) day period.

10.4 Construction Schedule.

(a) Agency shall begin and complete, or shall cause Developer to begin and complete, all Subsequent Construction with respect to Agency's Improvements and Developer's Improvements, and City shall begin and complete all Subsequent Construction with respect to City's Improvements, within the time specified in a schedule of performance to be submitted to and approved by Agency. This schedule of performance is also subject to Force Majeure and to revisions from time to time as mutually agreed upon in writing by and between City and Agency.

(b) During periods of any Subsequent Construction Agency, as applicable, shall submit to each other, as applicable, written progress reports when and as reasonably requested by the other party no more frequently than once every three (3)

months, except that during the last four months during such construction such reports shall be submitted monthly. In addition, City and Agency will submit to each other whatever progress reports it submits to any lender financing the Subsequent Construction. The reports shall be in such form and detail as may reasonably be required by City and shall include a reasonable number of construction photographs (if any) taken since the last report submitted by Agency.

10.5 Construction to Proceed in Reasonable Manner. Subject to the provisions of Paragraph 9.5, City or Agency, as applicable, shall perform, or caused to be performed, any Subsequent Construction with respect to City's Improvements, Agency's Improvements or Developer's Improvements so as not to: (a) cause any material increase in the cost of construction of the remainder of the Convention Center Rooftop Surface, or any part thereof; (b) unreasonably interfere with any other construction being performed in the Convention Center Rooftop Surface, or (c) unreasonably interfere with the other's operations and rights contemplated by this Lease.

10.6 Construction Barricades. If any Subsequent Construction is commenced with respect to any improvements on the Convention Center Rooftop Surface after any other improvements have opened for business to the general public, then the party carrying on or permitting such Subsequent Construction shall

erect adequate, painted construction barricades substantially enclosing the area of its construction. Such party shall maintain the construction barricades until the Subsequent Construction has been substantially completed (to the extent reasonably necessary to remove the hazardous construction conditions). This Paragraph 10.6 applies only to Subsequent Construction that can reasonably be deemed to constitute a hazardous condition; however, each party may erect construction barricades, as hereinabove specified, at the time of any Subsequent Construction and maintain the same until the building surrounded is secure from unauthorized intrusion. The requirements of this Paragraph 10.6 are in addition to any other requirements for the protection of the public or others during Subsequent Construction.

11. MAINTENANCE OF CONVENTION CENTER ROOFTOP SURFACE.

11.1 Maintenance of Agency's Improvements and Developer's Improvements. City shall under no circumstances be obligated to make repairs or replacements of any kind or to maintain all or any part of the Leased Rooftop Surface, or any of Agency's Improvements or Developer's Improvements, as part of the consideration for the rental payable under this Lease except (i) as such costs are included in City's contribution toward the costs of the CB-3 Budget under Paragraph 11.3 and (ii) as may be provided in Developer's Non-Disturbance and Attornment

Agreement. Agency shall, throughout the term of this Lease, at no cost or expense to City (except as expressly provided in Paragraph 11.3) maintain or cause to be maintained the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements in good condition and repair, and in clean and attractive condition, all in accordance with maintaining the same in first-class condition. Agency shall also promptly, and at no cost or expense to City (except as expressly provided in Paragraph 11.3) make or cause to be made all necessary repairs and replacements to Agency's Improvements and Developer's Improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, foreseen and unforeseen, reasonable wear and tear excepted, to the extent that the same is consistent with maintenance of the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements in a first-class condition. All such repairs and replacements made by Agency shall be at least equivalent in quality and class to the original work. Agency, to the fullest extent permitted by law, hereby expressly waives all right to make repairs at City's expense under Sections 1941 and 1942 of the California Civil Code, as either or both may from time to time be amended, replaced, or restated, and under any similar statute, law or ordinance now existing or hereafter enacted.

11.2 Operation and Maintenance of CB-3 Gardens Area.

(a) After completion of the Initial Construction of the CB-3 Gardens in accordance with the Construction Documents approved by City, Agency shall operate and maintain such property and any improvements located thereon in compliance with all applicable laws and governmental regulations and, to the extent funds are made available to the Agency by the City pursuant to Paragraph 11.3 and under Section 2.15 of the Retail Lease, in good order, condition and repair. Without limiting the generality of the provisions of Paragraph 11.1 or the foregoing provisions of this Paragraph 11.2, Agency in the operation and maintenance of the CB-3 Gardens shall perform, or cause to be performed, the following services:

(i) keep the CB-3 Gardens open daily from [6:00 a.m. to 12:00 a.m.];

(ii) make regular inspections to determine where maintenance, repair or replacement may be required or appropriate;

(iii) maintain, repair and replace the surface of all malls, promenades, walkways, curbs and sidewalks, keeping them level and smooth and evenly covered;

(iv) remove all papers, debris, graffiti, refuse and surface waters from landscape and paved areas and wash or thoroughly sweep paved areas as required;

(v) maintain, replace and repair all driveways, curbs, directional signs, markers and other signs in a clean and attractive condition;

(vi) clean lighting fixtures, relamp and reblast, as needed;

(vii) maintain, repair and replace benches, pools, fountains, sculpture, gardens and other landscaping, as necessary, to keep the same in a first-class condition, including as to landscaping the removal of dead plants, weeds and foreign matter, and necessary fertilizing, pruning, replanting and replacement;

(viii) maintain, repair and keep in a sanitary and good condition any restroom and comfort facility and furnish necessary mosquito and other pest abatement controls;

(ix) provide traffic control and appropriate security by (A) uniformed patrols of both interior and all exterior areas including parking areas at regular intervals during the day and night, (B) supervising pedestrian and vehicular traffic

direction and entrances and exits during such hours and periods as conditions reasonably require such supervision, (C) direct visual observation and such other monitoring by security forces as may be appropriate, and (D) the use of additional security forces as appropriate to the number of people and intensity and type of use;

(x) repair, replace and maintain any elevators, escalators and stairways;

(xi) all areas accessible to Occupants and Permittees shall be appropriately illuminated during hours of darkness, and particularly while any improvements located on the Convention Center Rooftop Surface are open for business, and for a reasonable period thereafter, in order to permit safe ingress and egress from the area, keeping all such areas illuminated during all hours of darkness in such manner as will afford reasonable security;

(xii) all trash, rubbish and garbage containers shall be emptied as necessary and shall be washed at intervals sufficient to maintain the same in a clean and sanitary condition, and shall be otherwise maintained and kept in an attractive and good working condition;

(xiii) no dumpster, dumpster-type or oversized containers, temporary or otherwise, shall be utilized except as reasonably required in connection with any Subsequent Construction unless screened from public view or located in areas not generally accessible to the public;

(xiv) all glass, including skylights, plate glass and/or glass-enclosed devices shall be cleaned at intervals sufficient to maintain them in a clean condition;

(xv) all hard surfaces which are painted or otherwise finished shall be cleaned at regular intervals, and repainted or otherwise refinished as necessary, and any ceiling area shall be regularly cleaned, and painted or repainted, as necessary;

(xvi) any interior floors shall be regularly cleaned and sealed, waxed or otherwise finished as appropriate for the type of floor materials utilized; and

(xvii) maintain the CB-3 Gardens in first-class condition.

(b) The improvements on and to the CB-3 Gardens shall be repaired, replaced and maintained with materials, apparatus and facilities at least equal in quality, appearance

and durability of the materials, apparatus and facilities repaired, replaced or maintained.

11.3 Costs for Security, Operation and Maintenance.

(a) Agency shall prepare, or cause to be prepared, at no cost to City, a budget for each Fiscal Year (the "CB-3 Budget") which sets forth the costs and expenses for the security, operation, maintenance and repair of the CB-3 Gardens in accordance with the standards set forth in this Paragraph 11. The CB-3 Budget, together with such supporting information or documentation available to Agency that City may reasonably request in order to determine the appropriateness of any item included or omitted from such budget, or the amount thereof, shall be submitted to City at least sixty (60) days prior to the commencement of the Fiscal Year covered thereby. City's rights of review and approval of the CB-3 Budget shall be limited to whether the Agency has been reasonable in preparing said Budget in light of the standards for security, operation, maintenance, repair and restoration of the CB-3 Gardens as set forth in this Lease. City shall approve or disapprove such budget in accordance with the provisions of Paragraph 11.3(c) within thirty (30) days of submission of such budget and information.

(b) City shall have the right to approve or disapprove the initial CB-3 Budget in accordance with its good faith review of the reasonableness of the proposed aggregate amount of such budget in reference to the obligations to be funded therefrom, as such obligations are determined in accordance with the provisions of this Paragraph 11. Thereafter, City shall approve the CB-3 Budget if the aggregate amount of such budget does not exceed the amount of the CB-3 Budget for the previous Fiscal Year, as increased or decreased by the Index for such current year; provided, however, that City shall not unreasonably withhold its approval of such a CB-3 Budget in excess of such indexed amount. [Note: This Paragraph shall be revised to define Index in conformity with such definition in the Retail Lease.]

(c) If City disapproves any proposed CB-3 Budget pursuant to Paragraph 11.3(b), it shall provide Agency and Developer with a written statement of the basis thereof and Agency shall promptly prepare and submit a revised CB-3 Budget addressing the basis of such disapproval. The time periods within which City shall approve the initial proposed CB-3 Budget and the notice requirements regarding disapproval shall also apply to City's review of any revised CB-3 Budget. If City, Agency and Developer cannot agree on whether a proposed CB-3 Budget is sufficient to meet the obligations of the Agency under this Lease, all three entities shall submit the matter to

arbitration pursuant to Paragraph 30.1; provided, that the proposed budget shall apply until arbitration is completed and Agency may expend funds thereunder subject to the results of arbitration. Developer's Sublease shall require Developer to submit to arbitration in accordance with the provisions of such Paragraph 11.3 with respect to such matter.

(d) Notwithstanding anything to the contrary in this Paragraph 11.3, the CB-3 Budget shall not include costs of Restoration or other capital improvement costs (as determined in accordance with generally accepted accounting principles); provided, however, that the CB-3 Budget shall include a reserve for making capital replacements in the amount equal to three percent (3%) of such budget. Any interest accrued on the reserve fund shall remain in the reserve fund. In the event Agency believes the three percent (3%) level is insufficient to make capital replacements necessary to carry out its obligations under this Lease with respect to the CB-3 Gardens, Agency may request an increase in the reserve, which request shall not be unreasonably denied by City. If at any time the reserve for capital improvements is more than thirty percent (30%) of the CB-3 Budget no further payments shall be made into the reserve until the reserve falls below thirty percent (30%) of the CB-3 Budget. Agency shall have the right to make expenditures from the reserve without the City's consent; provided that if City objects to any expenditure from the reserve it may seek

arbitration to determine that such expenditure was not reasonably necessary to carry out the obligations of the Agency under this Lease with respect to the CB-3 Gardens. If City prevails in such arbitration, such expenditure shall be promptly returned to the reserve by Agency from the first funds available to the Agency therefor.

(e) Upon approval of the CB-3 Budget for a Fiscal Year for which the CB-3 Gardens will be available for the benefit and use of City as provided under this Lease, City shall use its best efforts, consistent with its applicable budgetary procedures, to obtain an appropriation of funds in an amount equal to its pro-rata share of the costs and expenses covered by such budget. After obtaining such appropriation, City shall pay Agency for forty-five percent (45%) of the costs and expenses incurred in accordance with the provisions of the CB-3 Budget. Agency shall bill City for its share of such costs and expenses beginning on the first day of the first Fiscal Year and on the first day of each calendar month thereafter, based upon amounts estimated by Agency to be sufficient to cover City's share of such costs. City shall, subject to its rights under Paragraph 11.3(h), pay such amounts within fifteen (15) days of receiving such notice, together with any supporting documentation requested under Paragraph 11.3(g). At the close of the first full Fiscal Year, the Agency shall, after consulting with City, make a determination of whether the

estimated payments by City are more or less than that reasonably required as the City's share of the CB-3 Budget and if an adjustment would be appropriate, then the estimated payment shall be adjusted upwards or downwards to more nearly meet the requirements of the City's share of such costs. Thereafter, such determination may be made annually and adjustments made accordingly. Notwithstanding this Paragraph 11.3, City shall have no direct liability to any provider of goods or services for which it is required to pay its pro rata share to Agency under this Paragraph 11.3, and Agency shall contract with any provider for its own account and not as an agent of the City.

(f) Within one hundred twenty (120) days after the end of each Fiscal Year, Agency shall give City a full, complete and itemized statement of the costs and expenses paid during such year pursuant to the CB-3 Budget. If City has paid more than its share thereof, Agency shall within thirty (30) days refund to City the excess over its share, unless sufficient sums (including any reserves) are unavailable, in which event the Agency shall credit said refund against sums next due. If City has paid less than its share thereof for such Fiscal Year, then City shall pay to Agency, within thirty (30) days following the receipt of the Agency's statements, the deficiency in its share.

(g) Agency shall from time to time, upon request from City, provide City with a reasonably detailed statement of the costs and expenses for which Agency seeks reimbursement, as well as such invoices and other supporting documentation available to the Agency as City may reasonably request in order to verify the extent of its obligations under this Paragraph 11.3. The Agency shall maintain separate and complete records accurately reflecting all items affecting or entering into a determination of the CB-3 Budget, which records shall be retained by Agency for a period of three (3) years after the end of each Fiscal Year and for so long thereafter as there is an outstanding dispute with respect thereto between the Agency and City.

(h) City reserves the right to dispute the calculation of the amount of its reimbursement obligations under this Paragraph 11.3. In the event that City determines such amount was not correctly calculated, it shall give Agency prompt notice of such fact and shall inform Agency of the specific basis of such dispute. If City and Agency shall be unable to resolve such dispute within thirty (30) days from the time Agency receives notice from City, City shall pay any undisputed amount to Agency, and shall deposit any disputed amount into escrow pending the resolution of such dispute. Either City or Agency may submit any such dispute to arbitration in accordance with the provisions of Paragraph 30.1. City shall not be deemed to be in default with respect to its obligations under this

Paragraph 11.3 during the period of resolution of any dispute pursuant to this Paragraph 11.3(h).

11.4 Maintenance of City's Improvements. City shall, at no cost or expense to Agency, maintain City's Improvements in good condition and repair, and in clean and attractive condition, all in accordance with maintaining the same in first-class condition. City shall also make all necessary repairs and replacements to City's Improvements, reasonable wear and tear excepted, to the extent that the same is consistent with the maintenance of City's Improvements in a first-class condition. All such repairs and replacements shall be at least equivalent in quality and class to the original work. The City shall maintain any public walkways or other areas open to the public located on City's Rooftop Surface in the same manner as similar areas of the CB-3 Gardens are required to be maintained under Paragraph 11.2. The obligations of City to maintain and repair the Convention Center and Facilities (other than City's Improvements) shall be governed by the CB-3 Project Lease and, as applicable, the express provisions of this Lease and the Easement Agreement applicable to the Convention Center and the Facilities.

11.5 Limitations on Agency's Obligations for Operation and Maintenance; City's Self-Help Rights. Notwithstanding anything to the contrary set forth in this Lease and subject to

the remaining provisions of this Paragraph 11.5, Agency's liability for operation or maintenance of the Gardens Parcel shall be limited to its obligations to appoint a Qualified Operator and to use the funds contributed by the City and available from the Separate Account as provided in Section 2.15 of the Retail Lease in order to maintain the Gardens Parcel in accordance with the standards set forth in Paragraph 11.2 and the Developer Sublease.

In the event City believes there has been a material impairment in the security, operations or maintenance of the CB-3 Gardens from the standards required by this Lease, City may so notify Agency in writing. If Agency does not dispute such notice by commencing an arbitration within thirty (30) days after receipt of such notice, such material impairment shall be deemed to have occurred. If Agency commences such arbitration, the arbitrators shall determine whether or not such material impairment has occurred. If such material impairment is deemed to or is found by the arbitrators to have occurred, Agency shall cure such material impairment within one year from the later of (i) receipt of City's notice or (ii) the decision of the arbitrators. If Agency fails to cure such material impairment within such one-year period and such material impairment is the result of either the legal inability of the Developer to pay money into the Separate Account or the legal inability of Agency to spend money in the Separate

Account for the purposes intended by Section 2.15 of the Retail Lease, Agency shall be deemed to be in default hereunder. If Agency fails to cure such material impairment within such one-year period, and such material impairment is the result of lack of funds in the Separate Account, as opposed to legal inability, Agency shall not be deemed to be in default hereunder, but City shall have the right to terminate this Lease by thirty (30) days' written notice to Agency.

If the CB-3 Gardens or any portion thereof is not maintained, operated or secured in accordance with the standards provided herein, then City, upon fifteen (15) days' written notice in all cases other than the failure to remove litter, in which case such notice shall be three (3) business days, may, if such condition is not corrected prior to the end of such notice period, but shall not be obligated to, enter the CB-3 Gardens and correct such condition. If Agency disputes the propriety of such action by City, City may institute an arbitration pursuant to Paragraph 30.1 hereof to seek reimbursement of all amounts expended by City pursuant to this Section to the extent funds are available to the Agency after fulfilling its other obligations with respect to the Yerba Buena Gardens.

12. OWNERSHIP OF IMPROVEMENTS

Agency's Improvements shall be owned by Agency until the expiration of the term or sooner termination of this Lease. Developer's Improvements shall be owned by Developer until the expiration of the term or sooner termination of Developer's Sublease. Agency shall not remove or permit the removal of any of Agency's Improvements or Developer's Improvements from the Leased Rooftop Surface, nor modify or permit any modification of any such improvements, except as expressly permitted under Paragraph 10 of this Lease. Upon the expiration of the term or sooner termination of this Lease, all of Agency's Improvements shall remain upon the Leased Rooftop Surface and become City's property free of any liens, claims or rights of Agency or any third parties and without any payment or compensation paid to Agency, Developer or any other person or entity; provided, however, that Agency shall have the right to remove from Agency's Rooftop Surface or Agency's Improvements any movable furniture, trade fixtures, equipment and other personal property to the extent provided in Paragraph 23. City and Agency agree to execute, acknowledge and deliver, from time to time, such instrument(s) as may be reasonably required to evidence their respective interests with respect to Agency's Improvements as stated in this Paragraph 12, or to cause such actions to be taken with respect to Developer's Improvements.

13. MECHANICS' AND OTHER LIENS

13.1 No Liens. Agency will not directly or indirectly create or permit to remain, and will discharge, any mortgage, deed of trust, lien, security interest, encumbrance or charge on, pledge of or conditional sale or other title retention agreement with respect to the Leased Rooftop Surface or any part thereof, or Agency's or Developer's interest therein, other than: (a) this Lease and permitted subleases; (b) liens for Impositions not yet payable, or payable without the addition of any fine, penalty, interest or cost for nonpayment, or being contested as permitted by Paragraph 14; (c) liens permitted under Paragraph 21; and (d) liens of mechanics, materialmen, suppliers or vendors or rights thereto ("Mechanics' Liens"), for such sums which under the terms of the related contracts are not at the time due or which are being contested as permitted by Paragraph 14.

13.2 Mechanics' Liens. Nothing contained in this Lease shall be deemed or construed in any way as constituting the consent or request of City, express or implied, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Leased Rooftop Surface or any part thereof. Agency agrees that Agency will, at all times when the same may be necessary or desirable, and in addition to its obligations under Paragraph

13.1, take such action as may be necessary to prevent the enforcement of any mechanics' or similar liens against the fee of the Leased Rooftop Surface for or on account of labor, services or materials furnished with respect to such property.

14. RIGHT TO CONTEST

14.1 General Rights. Agency shall have the right, after at least ten (10) days' prior written notice to City, to contest the amount or validity of any Imposition, Laws or Ordinances, or Mechanic's Lien by appropriate proceedings conducted in good faith and with due diligence, at its sole cost and expense. Agency shall furnish or cause to be furnished to City security reasonably satisfactory to City against any claim, loss, liability or expense incurred as a result of such nonpayment or delay therein. In the event of any such contest and the final determination thereof adversely to Agency or any person or entity contesting such matter, Agency shall (before any fine, interest, penalty or cost may be added thereto for nonpayment thereof) pay and discharge or cause to be paid and discharged fully the amounts involved in or affected by such contest, together with any penalties, fines, interest, costs and expenses that may have accrued thereon or that may result from any such contest, and after such payment and discharge by Agency or others, City will promptly return to Agency, without interest, such security as City shall have received in connec-

tion with such contest that is not applied against and loss or damage suffered by City.

14.2 Limitations on Right. In the event Agency gives City notice of contesting any Laws and Ordinances, Mechanics' Liens or Impositions, there shall not have occurred an Event of Default hereunder with respect to any such matter so long as Agency prosecutes, or causes to be prosecuted, such contest in the manner provided for in this Paragraph 14; provided, however, in no event shall any provision of this Paragraph 14 relieve Agency of the obligation to release or cause the release of record any Mechanic's Lien as provided for in Paragraph 13 for a period longer than ninety (90) days, unless City shall consent in writing to the continuing effectiveness of such lien during the period of any contest by Agency of the claim giving rise to such lien, which consent shall not be unreasonably withheld. With respect to any contest of any Laws and Ordinances, compliance by Agency or any person or entity claiming by, through or under Agency, with any such Laws and Ordinances shall not be delayed or postponed if (i) as a result all or any part of the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements would become subject to the imposition of any lien (unless Agency furnishes or causes to be furnished security reasonably satisfactory to City), or (ii) if a proceeding for the sale of all or any part of the Leased Rooftop Surface, or all or any part of Agency's Improvements or Devel-

oper's Improvements is commenced, or (iii) if a condemnation proceeding or action is commenced as to all or any part of the Leased Rooftop Surface or all or any part of Agency's Improvements or Developer's Improvements.

14.3 City to Join; Indemnity. City shall not unreasonably refuse to join in any proceedings to contest any Laws and Ordinances, or the amount or validity of any Mechanic's Lien or Imposition if such joinder shall be necessary or appropriate to the proposed contest of any matter subject to this Paragraph 14. In the event of any contest of Laws and Ordinances, Mechanics' Liens or Impositions, Agency shall protect, indemnify and defend City against all loss, cost, liability, damage and expense (including reasonable attorneys' fees and costs) in connection therewith, including any costs or expenses incurred by City in joining such contest.

15. ASSIGNMENT

15.1 General Rights. Agency shall not at any time sell, assign or otherwise transfer to any person or entity, voluntarily or by operation of law, all or any part of its interest in this Lease, or any of Agency's Improvements or Developer's Improvements, nor may Agency enter into any contract to do any of the foregoing (any such action being herein referred to as an "Assignment") without the prior written consent of City,

which consent City may withhold in its sole and absolute discretion; provided, however, that this Paragraph 15.1 shall not be construed to prohibit Agency from entering into Developer's Sublease pursuant to the provisions of Paragraph 16 and complying with and enforcing the provisions thereof.

15.2 CB-1/CB-2: City's Right of First Offer.

(a) If at any time during the term of this Lease, Agency desires to sell, transfer, or assign all or any part of its interest in the CB-1 Office Building Revenues or any of the Leased Developer Parcels, then Agency shall immediately deliver to City prompt written notice of the terms upon which Agency would be willing to effect such sale, transfer, or assignment, and City shall have the right to purchase such interests at the same price (less any Capital Return Rent which would otherwise be payable to City if such assignment were not made to City) and on the same terms of such offer by giving written notice to the Agency within thirty (30) days after receiving Agency's notice of intention to sell such interests; provided, however, that City's right shall be subject to the right of Developer to appraise out Agency from the CB-1 Office Building Revenues pursuant to Article 6 and Section 23.7 of the CB-1 REA (Attachment No. 16 to the DDA).

(b) In the event that City fails to notify Agency within said thirty (30) day period of City's election to exercise its right to purchase, or in the event City notifies Agency within said period that City will not exercise its right to purchase, Agency may proceed to sell, transfer or assign its interest to a third party within one hundred eighty (180) days after the expiration of such thirty (30) day period but only on the same terms and conditions as were offered to City, and any change in such terms and conditions shall be deemed a new offer and Agency shall in such event not consummate any sale, assignment or other transfer to any third party but shall first submit the changed terms and conditions to City for determination by City in the manner provided in Paragraph 15.2(a) as to whether it will elect to exercise its right to purchase on the changed terms and conditions. In the event that City has elected not to exercise its right to purchase and the sale or transfer of the Agency's interest as described in Agency's notice to City is not completed for any reason within the aforesaid one hundred eighty (180) day period, City shall have, upon the same conditions and notice, the continuing right to purchase the Agency's interest as provided above, even though the City declined to exercise its right to purchase with respect to any prior transaction.

(c) In the event that City acquires Agency's interest pursuant to the foregoing provisions, Agency shall

convey title to such interests to City by a grant deed or instrument of assignment, as the case may be, in recordable form reasonably acceptable to City and its counsel. If City exercises said right of first offer, all funds and documents shall be placed in escrow, and the transaction shall be consummated through said escrow within ninety (90) days after City gives to Agency notice of the exercise of the right to purchase. Title shall be subject only to matters approved by City except as may otherwise be provided in the terms of Agency's notice accepted by City.

15.3 CB-3: Right of First Refusal;
Approval of Assignment.

(a) If Agency desires at any time to make an Assignment of any of Agency interests in Yerba Buena Gardens, Agency shall give written notice to City setting forth: (i) the name of the proposed assignee or transferee; (ii) the specific terms and conditions of the proposed Assignment, including the financial terms thereof; (iii) a current financial statement of the proposed assignee or transferee prepared and certified by an independent certified public accountant satisfactory to City; and (iv) such other information regarding the proposed assignee or transferee as City may reasonably require.

(b) City shall have the right of first refusal to take the Assignment of Agency's interest on the terms and conditions set forth in the notice from Agency for sixty (60)

days after receipt of such notice. City shall within such sixty (60) day period give written notice to Agency of whether it will exercise its right of first refusal, and if it will not, whether City consents to or disapproves of the proposed Assignment; provided, however, that if Agency is in default in the performance or observance of any covenant, condition or agreement on the part of Agency to be observed or performed hereunder either at the time any such notice is given or at any time during such sixty (60) day period, City shall not be required to take any action whatsoever regarding any such notice from Agency unless and until such default has been cured. In the event City elects to exercise its right of first refusal, the provisions of Paragraph 15.2(c) shall apply to the purchase by City and sale by Agency.

15.4 City's Consent. Any Assignment consented to by City must: (a) be in writing, in recordable form, duly executed and acknowledged by Agency and the assignee or transferee; (b) expressly provide that the assignee or transferee unconditionally assumes and agrees to perform and observe all of the covenants, conditions and agreements to be performed and observed by Agency hereunder; and (c) otherwise be satisfactory to City in all respects. As conditions to City's recognition of any assignee or transferee, an executed original of the document evidencing such Assignment must be delivered to City, and such assignee or transferee must, if such Assignment is during

the term of the Coordination Agreement, become a party to such agreement. In no event shall Agency be relieved or released of any obligations and liabilities hereunder upon any Assignment unless City shall expressly and specifically release Agency of such obligations and liabilities in writing. In no event may Agency transfer its interest in this Lease separately from its title to any of Agency's Improvements. City's consent to an Assignment in any one instance shall not constitute consent to any other or future Assignment and shall not waive or limit in any way the requirement for City's express written consent to any such other or future Assignment.

15.5 Indirect Assignments. For purposes of this Paragraph 15, if at any time Agency shall be a corporation, any transfer or encumbrance, voluntarily or by operation of law, directly or indirectly, and whether consummated in a single transaction or a series of separate or related transactions, of more than ten percent (10%) of the issued and outstanding voting stock thereof shall be deemed to be an Assignment hereunder; or if at any time Agency shall be a joint venture or partnership, any transfer or encumbrance, voluntarily or by operation of law, directly or indirectly, and whether consummated in a single transaction or a series of separate or related transactions, of a general partnership interest therein shall be deemed to be an Assignment hereunder; or if at any time Agency shall be a trust, any change of the trustee thereof

or any material change in the relationship of the trustee to such trust, or any transfer or encumbrance, voluntarily or by operation of law, directly or indirectly, and whether consummated in a single transaction or a series of separate or related transactions, of ten percent (10%) or more of the beneficial interests in such trust, shall be deemed to be an Assignment hereunder; or if at any time Agency shall be constituted as any other form of legal entity, whether public or private, any change in any controlling interest therein, or any transfer or encumbrance, voluntarily or by operation of law, directly or indirectly, and whether consummated in a single transaction or a series of separate or related transactions, of ten percent (10%) or more of the beneficial interests in such entity, shall be deemed to be an Assignment hereunder.

15.6 Impermissible Assignment. Any attempted Assignment not consented to by City or not otherwise conforming to the terms and conditions of this Paragraph 15 shall be void, the purported assignee or transferee shall acquire no rights as a consequence thereof, and at the option of City shall constitute an Event of Default hereunder by Agency.

15.7 Scope of Prohibition. City and Agency expressly acknowledge and agree that the provisions of this Paragraph 15 shall apply only to an Assignment by Agency of its interest in this Lease, or by a person or entity who acquires all or any

part of Agency's interest in this Lease through one or more assignments following an Assignment by Agency of its interest in this Lease. The provisions of this Paragraph 15 do not apply to any assignment, transfer, encumbrance or subleasing by Developer of all or any part of its interest under Developer's Sublease or any other lease between Agency and Developer, and Developer's right to make such an assignment, transfer, encumbrance or sublease shall be governed solely by the provisions of such sublease or other lease and without any review or approval thereof by City.

16. SUBLETTING

16.1 Developer's Sublease. Notwithstanding the terms and conditions of Paragraph 15 or this Paragraph 16, Agency may sublet Developer's Rooftop Surface to Developer pursuant to the terms of a sublease in the form of Exhibit D attached hereto ("Developer's Sublease") which City has heretofore approved. Developer's Sublease shall provide that any amendment or modification thereof will require the prior written consent of City, which consent shall not be unreasonably withheld or delayed, and Agency hereby covenants under this Lease not to so amend or modify the CB-3 Sublease without such prior written consent of City. City shall upon execution of Developer's Sublease enter into a Non-Disturbance and Attornment Agreement with Developer in the form attached hereto as Exhibit E ("De-

veloper's Non-Disturbance Agreement"). City and Agency hereby expressly agree and acknowledge that Developer's right to enter into subleases of all or any part of its interest in the Leased Rooftop Surface acquired under Developer's Sublease shall be determined by the provisions thereof and not the provisions of this Paragraph 16 and without any review or approval thereof by City.

16.2 Subleases Other Than Developer's Sublease. Except as expressly provided in Paragraph 16.1, Agency shall not at any time sublease all or any portion of the Leased Rooftop Surface nor may Agency enter into any contract to so effect such a transfer (any such action being herein referred to as an "Other Sublease"), without the prior written consent of City, which consent shall not be unreasonably withheld or delayed. If Agency desires at any time to enter into an Other Sublease, Agency shall give written notice to City setting forth equivalent information to that provided for an Assignment in Paragraph 15.3 (a) through (d) and the proposed use of the subleased premises by the proposed subtenant. Within fifteen (15) business days after receipt of such notice from Agency, City shall give written notice to Agency of City's consent to or disapproval of such proposed Other Sublease; provided, however, that if Agency is in default in the performance or observance of any covenant, condition or agreement on the part of Agency to be observed or performed hereunder either at the

time any such notice is given or at any time during such sixty (60) day period, City shall not be required to take any action whatsoever regarding such notice from Agency unless and until such default has been cured.

16.3 Limitations on Right. In no event may any Other Sublease extend for a term or terms (including renewal terms) beyond the expiration of the term of this Lease. Any Other Sublease not consented to by City or not otherwise conforming to the terms and conditions of this Paragraph 16 shall be void, the purported subtenant shall acquire no rights as a consequence thereof, and at the option of City shall constitute an Event of Default hereunder by Agency. City's consent to any Other Sublease shall not constitute consent to any other or future Other Sublease and shall not waive or limit in any way the requirement for City's express written consent to any such other or future Other Sublease. As an express condition to City's obligation to recognize any sublessee under any Other Sublease, such sublessee shall during the term of the Coordination Agreement become a party to such agreement.

16.4 Subordination; Attornment. Subject to the Non-Disturbance Agreement, Developer's Sublease and any Other Sublease shall be subject and subordinate to this Lease and any modifications hereof and shall provide, and shall be deemed to provide, that the subtenant thereunder shall agree to comply

with and be bound by all of the covenants, conditions and agreements of this Lease. Developer's Sublease and any Other Sublease shall also provide, and shall be deemed to provide, that, subject to the Non-Disturbance Agreement, in the event that this Lease is terminated by reason of a default by Agency hereunder, the subtenant shall, subject to the provisions of Paragraph 16.5, attorn to City and recognize City as the subtenant's landlord under Developer's Sublease or such Other Sublease, and upon notice from City shall make and deliver all rental payments under Developer's Sublease or such Other Sublease directly to City.

16.5 Copies of Subleases. Within ten (10) days after the execution of Developer's Sublease or any Other Sublease, Agency shall deliver an unexecuted original of such sublease to City. No Other Sublease shall be recorded by Agency or the subtenant thereunder without the express written consent of City unless recordation thereof shall be required by a lender acquiring a lien thereon in accordance with the provisions of such Other Sublease and written notice of such requirement shall have been delivered to City a reasonable time prior to recordation thereof. Within thirty (30) days after written demand (but not more often than once during any yearly period), Agency will furnish to City a schedule, certified as true and correct by Agency, setting forth all Other Subleases then in effect, Developer's

Sublease if then in effect, the annual rental payable thereunder and such other information as City may reasonably request.

16.6 Modification of Subleases. Agency shall not modify any Other Sublease so as to reduce the rent, shorten the term or otherwise materially affect the rights of the parties thereto, or permit cancellation (except as expressly permitted by the terms thereof) or accept the surrender of any Other Sublease without the prior written consent of City in each instance; provided, however, such consent shall not be required (a) to terminate Developer's Sublease in the event Agency is relieved of its obligations to construct Agency's Improvements and Developer's Improvements pursuant to Paragraph 9.12, or (b) for the institution or prosecution of any action or proceeding against any such subtenant by reason of a default on the part of such subtenant or failure of condition under the terms of any Other Sublease, including termination thereof. Agency shall promptly notify City in writing of any default by any subtenant under any Other Sublease, or by Developer under Developer's Sublease, or of any asserted default by Agency thereunder.

16.7 Non-Disturbance.

(a) In the event of any termination of this Lease by reason of a default by Agency hereunder, City will recognize

and give effect to Developer's interest in the Leased Rooftop Surface under the Developer's Sublease in accordance with the provisions of Developer's Non-Disturbance Agreement. City hereby acknowledges and agrees that its agreement not to disturb Developer, as set forth in Developer's Non-Disturbance Agreement, shall extend to each and every person or entity in possession of any portion of Developer's Rooftop Surface pursuant to an occupancy agreement with Developer in accordance with the Developer's Sublease, or with any other person or entity acquiring an interest in Developer's Rooftop Surface through Developer.

(b) City will also recognize and give effect to any Other Sublease then in effect; provided, however, that (i) the terms of such Other Sublease comply with the requirements of this Paragraph 16, (ii) no default exists under such Other Sublease on the part of the subtenant thereunder, and (iii) the subtenant shall deliver to City an instrument satisfactory to City confirming the agreement of such subtenant to attorn to City and to recognize City as the subtenant's landlord under such Other Sublease.

(c) Notwithstanding any such recognition under Paragraphs 16.5(a) and (b) (except as may be provided in the Developer's Non-Disturbance Agreement), City shall not be liable for, or be subject to, any offset, abatement or reduc-

tion of rent or any other charges payable by Developer under the Developer's Sublease, or by a subtenant under any Other Sublease, on account of, any default of the landlord thereunder occurring prior to the termination of this Lease; nor shall City be bound by any prior payment of rent under Developer's Sublease or any Other Sublease for a period of more than two (2) months in advance, nor responsible for the retention, application or return of any security deposit paid by any subtenant except to the extent that the same has actually been paid to and received by City for City's own account.

17. INSURANCE. [Note: This Article 17 is to be revised to conform with the Retail Lease.]

17.1 Agency's Insurance During Initial Construction.

During the period from the Commencement Date until such time as Agency certifies the completion of Initial Construction of Agency's Improvements and Developer's Improvements, Agency shall furnish, or shall cause to be furnished to City, duplicate originals or appropriate certificates of insurance as follows:

(a) Workers' Compensation insurance, including Employers' liability with limits not less than One Million Dollars (\$1,000,000) for each accident;

(b) Comprehensive General Liability insurance, with limits not less than Ten Million Dollars (\$10,000,000) for each occurrence Bodily Injury and Property Damage Combined, including coverages for contractual liability, Personal Injury, Broadform Property Damage, explosion, collapse and underground (XCU), owners' and contractors' protective, Products and Completed Operations;

(c) Comprehensive Automobile Liability insurance, with limits not less than Ten Million Dollars (\$10,000,000) for each occurrence Bodily Injury and Property Damage combined, including coverages for owned, non-owned and hired vehicles;

(d) Professional Liability insurance, with limits not less than Ten Million Dollars (\$10,000,000) for each occurrence, including coverages for Injury or Damage arising out of Acts or Omissions with respect to all design and engineering professional services, with any deductible being acceptable to City; and

(e) During construction, alteration or repair of any improvement, builders risk insurance for the amount of completed value (or lesser amount if acceptable to City) on an all-risk form, including earthquake and flood insurance, insuring the interest of Developer, Agency, City and any contractors

and subcontractors as Named Insureds as their interests may appear, with any deductibles being acceptable to City.

General liability, automobile liability and professional liability policies shall name as additional insureds City and Agency, and shall be primary to any other insurance available to the additional insureds. Complete copies of all policies shall be promptly furnished by Agency to City upon request.

17.2 All-Risk Coverage and Liability; Business Interruption. Agency shall, at Agency's sole cost and expense, from the date the [Final Certificate and Right to Occupy] is issued for all of Agency's Improvements following Agency's Initial Construction, until the termination of this Lease, keep, or cause to be kept, Agency's Improvements and all fixtures, furniture and equipment located therein or affixed thereto insured as follows:

(a) policies of all risk property insurance, including earthquake and flood insurance, for the full replacement cost of all of Agency's Improvements located on the CB-3 Gardens Area;

(b) all risk property insurance, including earthquake and flood insurance, for the full replacement cost of Agency's Improvements located on the CB-3 Common Area;

(c) Comprehensive General Liability Insurance with limits not less than Ten Million Dollars (\$10,000,000) each occurrence Combined Single Limit Bodily Injury and Property Damage, including Contractual Liability, Owners' and Contractors' Protective, Personal Injury, Advertising Liability, Broadform Property Damage products and Completed Operations Coverages;

(d) Comprehensive Automobile Liability Insurance with limits not less than Ten Million Dollars (\$10,000,000) for each occurrence Combined Single Limit Bodily Injury and Property Damage, including owned, non-owned and hired auto coverages, as applicable;

(e) comprehensive public liability and property damage insurance covering Agency's Rooftop Surface and Agency's Improvements;

(f) during any period in which Agency or any Occupant have "employees" as defined in the California Labor Code, adequate Workers' Compensation insurance including Employer's liability coverage with limits not less than One Million Dol-

lars (\$1,000,000) for each accident, covering all persons employed and with respect to whom death or bodily injury claims could be asserted against any other party, or the CB-3 Real Property;

(g) insurance against damage to or destruction of machinery and equipment located on Agency's Improvements used for heating, ventilating, air conditioning, power generation and similar purposes, under a form of insurance commonly known as boiler and machinery insurance, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment;

(h) automobile liability insurance covering all owned, non-owned or hired motor objects to be used in connection with Agency's Improvements or on Agency's Rooftop Surface, affording protection for personal injury or death to such limits as City shall reasonably require in respect of bodily injury or death to any number of persons in any one accident or occurrence, and for property damage [at least One Million Dollars (\$1,000,000) CBL for each occurrence];

(i) during any of Agency's Subsequent Construction, builders' risk insurance for the amount of completed value on an all-risk form, with earthquake and flood insurance, insuring

the interests of City, Agency and any contractors or subcontractors; and

(j) [If available,] business interruption insurance for loss caused by any of the perils or hazards set forth in and required to be insured pursuant [Paragraph 17.____] in an amount not less than the aggregate of all Net Rent and Impositions for the prior twelve (12) month period. For purposes of calculating the amount of such business interruption insurance required, City and Agency shall agree upon an estimate of the Actual Percentage Rent for the first year, and for each year thereafter for purposes of this calculation the Actual Percentage Rent shall be equal to the actual Actual Percentage Rent payable to City for the preceding year pursuant to Paragraph 3.3, plus fifteen percent (15%). The amount of the initial business interruption insurance shall be calculated from the date of completion of Agency's Initial Construction of Developer's Improvements and shall be adjusted annually thereafter.

17.3 Carriers; Policies.

(a) All insurance provided pursuant to Paragraph 17.2(a) and (b) shall: (A) be effected under a valid and enforceable policy or policies issued by insurers of recognized responsibility reasonably satisfactory to City and Agency; (B) name as insureds City and Agency, as their interest may appear;

(C) be in an amount at least equal to one hundred percent (100%) of the then current replacement costs for the portion of Agency's Improvements being insured (including the cost of foundations, excavations and footings and without any deduction being made for depreciation) (with a deductible of up to but not to exceed ten percent (10%) of such costs with respect to earthquake insurance only) the adequacy of such insurance coverage to be evaluated by City and Agency not less frequently than every five (5) years from the anniversary date of the completion of construction; and (D) insure against the perils of fire, lightning, vandalism, malicious mischief, flood, theft and mysterious disappearance.

(b) If Agency cannot agree with City upon the then current replacement costs for any of Agency's Improvements being insured, then the then current replacement cost shall be subject to determination or approval by the insurance company carrying the greatest amount of such insurance.

(c) So far as any policy or policies required [under Paragraph 17.2(__)] provide for payment of losses, they shall provide or be to the legal effect that such losses payable to [a Mortgagee] or depository notwithstanding any act or negligence of [Operator] or of Agency.

(d) Each policy required under Paragraph 17.2(a) and (b) shall provide that no cancellation, modification or termination thereof on account of nonpayment of premiums or any other reason shall be effective until at least thirty (30) days after mailing or otherwise sending written notice thereof to City and Agency.

17.4 Liability Policies. All insurance required under Paragraph 17.2[(c), (d) and (e)] shall:

(a) be carried under a valid and enforceable policy or policies issued by insurers of recognized responsibility reasonably satisfactory to City;

(b) insure against claims for personal injury or death or property damages occurring upon, in or about the portions of Agency's Rooftop Surface, Agency's Improvements or upon, in or about the adjoining land, streets and passageways thereof, such insurance to afford protection in an amount not less than Ten Million Dollars (\$10,000,000) combined single limits which minimum required amount shall be [Indexed] every five (5) years on the anniversary date of the completion of Agency's Initial Construction;

(c) name as insureds Agency and City as their respective interest may appear;

(d) so far as such policy or policies provide for payment of losses, provide or be to the legal effect that such losses payable to [a Mortgagee] or depositary shall be payable notwithstanding any act or negligence of [the Operator] or Agency;

(e) provide that such policies are primary insurance to any other insurance available to the [Additional Insureds], with respect to any claim, arising out of this [Contract], and that such insurance applies separately to each insured against whom claim is made or suit is brought; and

(f) provide that no cancellation, modification or termination thereof on account of nonpayment of premiums or any other reason shall be effective until at least thirty (30) days after mailing or otherwise sending written notice thereof to City.

17.5 Use of Policy Proceeds.

(a) All-risk coverage insurance proceeds and earthquake proceeds and boiler and machinery insurance proceeds paid to Agency by reason of damage to or destruction of any of Agency's Improvements on the CB-3 Gardens Area shall be used by Agency for the repair or rebuilding of such improvements.

(b) All-risk coverage insurance proceeds and earthquake proceeds and boiler and machinery insurance proceeds paid to Agency by reason of damage to or destruction of any of Agency's Improvements shall be used by Agency for the repair or rebuilding of such improvements.

(c) All-risk insurance required of Agency shall contain a clause providing that any loss in excess of Five Hundred Thousand Dollars (\$500,000) [(as Indexed)] covered by the insurance shall, at the option of a Mortgagee, be payable to a trustee (which shall be a bank or trust company, designated by City, having an office in San Francisco and which has capital and surplus of at least Two Hundred Million Dollars (\$200,000,000) (as Indexed)) or to the Mortgagee that is the holder of any Mortgage which is a lien against the improvements which have been damaged or destroyed; provided, however, such payment shall be made to a bank or trust company, in trust, if there is no Mortgagee. It is hereby acknowledged, however, that all amounts collected on any such policies shall be made available to Agency, and shall be paid out by the said trustee or Mortgagee from time to time as the work of rebuilding, reconstruction and repair shall progress, in amounts designated by certification, from architects licensed to do business in the State of California, showing the application of said amounts as payment for such repairs, rebuilding and reconstruction; provided, however, that it first be made to appear to the

satisfaction of the trustee or Mortgagee that the amount necessary to provide for reconstruction or repair of any buildings and other improvements destroyed or damaged, as aforesaid, according to the plans adopted therefor, which may be in excess of the amount received upon such policies, has been provided by Agency for such purposes and its application for such purposes is assured. If the damage is so slight that the insurance award is for less than Five Hundred Thousand Dollars (\$500,000) [as Indexed], then the insurance award shall be paid directly over to Agency, without the necessity of payment to the trustee as otherwise provided for herein; but this shall not be construed as relieving Agency from its obligation to repair such damage promptly in accordance with the terms of this Lease. Agency shall pay all reasonable fees of the trustee for its services. Any excess of monies received from insurance remaining with the trustee or Mortgagee after the reconstruction or repair of Agency's Improvements shall be paid to Agency.

(d) All-risk coverage insurance proceeds and earthquake proceeds and boiler and machinery insurance proceeds paid to Agency by reason of damage to or destruction of all or any part of Agency's Improvements, subject to the provisions of Paragraph 19, shall be used by Agency to restore such improvements in accordance with the provisions thereof. If pursuant to Paragraph 19 Agency is excused from restoring Agency's Improvements, all insurance proceeds other than those utilized

to raze buildings and clear the site as required by this Lease shall be paid to the City and this Lease shall terminate as to Agency's Rooftop Surface or the portion thereof not restored.

17.6 Blanket Policies. Agency may satisfy its obligations under Paragraphs 17.2(c) and (d) [and (a) and (b)?], in whole or in part, by means of a so-called "blanket policy" which is in conformity with Paragraph 17.3.

17.7 Certificate of Insurance. Agency shall, on the request of City, promptly furnish City a certificate evidencing compliance with the insurance coverage requirements of this Paragraph 17. Agency shall not be required during any one hundred eighty (180) day period to honor more than one such request from City.

17.8 Release and Waiver of Subrogation.

(a) Agency and City hereby waive all rights of recovery and causes of action, and release each other from any liability, from all losses and damages occasioned to the property of each located within or upon or constituting a part of Convention Center Rooftop Surface, which losses and damages are of the type covered under the policies required by Paragraph 17 to the extent that said loss is reimbursed by an insurer. The policies required by this Paragraph 17 shall provide for waiv-

ers of any right of subrogation that the insurer of such party may acquire against each other party hereto with respect to any such losses.

(b) Each person or entity that becomes an Occupant of any of Agency's Improvements or City's Improvements shall be deemed to have waived and released all of its rights to recover from City and Agency for such losses and damages that the Occupant sustains by reason of a risk covered under the types of policies required by this Paragraph 17 to the extent of any reimbursement by an insurer. City and Agency each hereby release all of its respective rights to recover from each such Occupant (who makes the above-described waiver and release) all losses and damages such entity sustains by reason of risks covered under the types of policies required by this Paragraph 17 to the extent of any reimbursement by an insurer.

17.9 City's Right to Maintain. If, at any time, Agency shall neglect to maintain the insurance required pursuant to this Paragraph 17 or shall fail to deliver policies as required pursuant to this Paragraph 17, City may, upon five (5) business days written notice to Agency, effect such insurance as the agent of Agency, by taking out policies with companies satisfactory to City running for a period not exceeding three (3) years in any one policy. City shall not be limited in the proof of any damages which City may claim against Agency (aris-

ing out of or by reason of Agency's failure to provide and keep in force insurance as aforesaid) to the amount of the insurance premium or premiums not paid or incurred by Agency and which would have been payable upon such insurance, but shall be entitled to recover as damages and the costs and expenses of suit suffered or incurred during any period when Agency shall have failed or neglected to provide such insurance.

17.10 Assignment of Policies. Upon the termination or expiration of this Lease, City may require Agency to assign to it any policies of insurance affecting Agency's Rooftop Surface or Agency's Improvements, except for insurance carried under a blanket policy or policies covering other properties operated by Agency or its affiliates. In the event of an assignment of any such policy, the premium shall be prorated between City and Agency as of the date of such termination or expiration. In the event that an assignment is not required as to any policy or, in the case of a blanket policy, if coverage is terminated, any premium refund shall be payable to Agency.

17.11 City Insurance. City shall maintain insurance on City's Improvements on the City Rooftop Surface subject to the same requirements as are set forth in this Paragraph 17 for the Agency with respect to the Leased Rooftop Surface, naming the Agency and Developer as additional insureds and for purposes of notices hereunder.

18. INDEMNIFICATION: NON-LIABILITY OF CITY

18.1 Definitions.

(a) The term "Indemnitor" shall mean either City or Agency;

(b) The term "Indemnitee" shall mean City in the case where Agency is the Indemnitor and Agency in the case where City is the Indemnitor.

18.2 Indemnity During Construction. Each Indemnitor agrees to and shall defend, indemnify and hold the Indemnitee harmless from and against all liability, loss, damage, costs or expenses (including, but not limited to, reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which shall occur on or adjacent to City's Rooftop Surface (in the case of City as the Indemnitor) or the Leased Rooftop Surface (in the case of Agency as the Indemnitor) during any construction work conducted by or for such entity and which shall be directly or indirectly caused by any acts done thereon or any acts or omissions of such Indemnitor or its agents, servants, employees or contractors.

18.3 Additional Indemnity Obligations. Each Indemnitor shall protect, indemnify, defend, and hold the Indemnitee, its property and its officers, directors, employees, agents and partners harmless from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against such Indemnitee or its respective interests in the CB-3 Property by reason of the occurrence or existence of any of the following:

(a) any accident, injury to or death of persons (including workers) or loss of or damage to property occurring on or about such Indemnitor's interest in the Convention Center Rooftop Surface or the adjoining sidewalks, curbs, streets, vaults, passageways, spaces or ways;

(b) any use, possession, occupation, operation, maintenance, management or condition of such Indemnitor's interest in the Convention Center Rooftop Surface, or any part thereof, or the adjoining sidewalks, alleys, curbs, streets, vaults, passageways, spaces or ways;

(c) any failure on the part of such Indemnitor to perform or comply with any of the terms of this Lease;

(d) performance of any labor or services or the furnishing of any materials or other property in respect to such Indemnitor's interest in the Convention Center Rooftop Surface, the improvements constructed thereon, or any part thereof;

(e) any negligence on the part of such Indemnitor or any of its agents, contractors, servants, employees, sublessees, licensees or invitees, except in each case to the extent caused by a breach of this Lease by such Indemnatee or of any other obligation of such Indemnatee to such Indemnitor, or by the active negligence or willful act or omission of such Indemnitor, its agents, employees, representatives or assigns;

(f) all mechanics', materialmen's and laborers' liens affecting such Indemnatee's interest in the Convention Center Rooftop Surface, and all costs, expenses and liabilities in connection therewith, arising out of any activities performed by such Indemnitor; and

(g) the death of or any accident, occurrence, injury, loss or damage whatsoever caused to any person or to the property of any persons as shall occur in or on the CB-3 Gardens Area, or otherwise relating to the CB-3 Property, during the term of this Lease as a result of the acts or omissions of such Indemnitor (except to the extent such arise from the

active negligence or willful act or omission of such Indemnitor).

For purposes of this Paragraph 18.3, the Indemnitor's and Indemnatee's interest in the Convention Center Rooftop Surface shall be deemed to be the Leased Rooftop Surface in the case of Agency as either the Indemnitor or Indemnatee, respectively, and the Convention Center Rooftop Surface in the case of City as either the Indemnitor or Indemnatee, respectively.

18.4 Defense of Action. In case any action, suit or proceeding is brought against an Indemnatee by reason of any occurrence for which the Indemnitor is obliged to furnish indemnity to the Indemnatee (including without limitation, under Paragraphs 8.2, 9.12, 14.3, 18.3, 18.2 or 23.4(__)) the Indemnatee will notify the Indemnitor of such action, suit or proceeding, and the Indemnitor may, and upon the Indemnatee's request shall, at the Indemnitor's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by the Indemnitor, and approved by Indemnatee in writing.

18.5 Scope of City's Liability. Agency covenants and agrees that, except as expressly provided in this Paragraph 18, City shall not at any time or to any extent whatsoever be liable, responsible or in anywise accountable for any loss,

injury, death or damage to persons or property which at any time may be suffered or sustained by Agency, Developer or any other Occupant of any part of the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements, or any person or entity who may at any time be using or visiting the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements, or any part thereof, or be in, on or about the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements, or any part thereof, whether such loss, injury, death or damage shall be caused by or in anywise result from or arise out of any act or omission of City, Agency, Developer or any Occupant, or of their respective agents, officers, employees or partners, or of any visitor or user of any portion of the Convention Center, the Convention Center Rooftop Surface or any improvement on the Convention Center Rooftop Surface, or shall result from or be caused by any condition of or on the Convention Center, the Convention Center Rooftop Surface or any improvement on the Convention Center Rooftop Surface, or by any condition thereon or by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth except as such conditions may constitute a breach or violation of this Lease by City. Agency hereby waives all claims, except as expressly provided in this Paragraph 18, against City for damage to Agency's Improvements or Developer's Improvements now or hereafter located on the Leased Rooftop Surface, or any part thereof, and to the personal

property of Agency, Developer or any Occupant, or the personal property of any subtenant or any other person or entity, in, upon or about the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements, or any part thereof, and for injuries to persons or property in, on or about the Leased Rooftop Surface, Agency's Improvements, or Developer's Improvements, or any part thereof, from any cause whatsoever arising at any time. Notwithstanding the foregoing provisions of this Paragraph 18.5, Agency shall not be deemed to have waived any claim arising out of the active negligence or willful act or omission of City, its agents, officers, contractors or employees (provided that no employee or officer of the Agency shall be deemed to be an employee or officer of the City solely because Agency may be a political subdivision or political entity of the City and County of San Francisco).

19. DAMAGE TO OR DESTRUCTION OF IMPROVEMENTS

19.1 Notice. In case of any damage to or destruction of the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements, or any part thereof, Agency will promptly give written notice thereof to City generally describing the nature and extent of such damage or destruction.

19.2 Continuation of Lease; Rent. In case of any damage to or destruction of the Leased Rooftop Surface, Agency's

Improvements or Developer's Improvements, this Lease shall not terminate (except as provided in Paragraph 19.3). Agency hereby waives to the fullest extent permitted by law the provisions of California Civil Code Sections 1932, subsection 2, and 1933, subsection 4, as either or both may from time to time be amended, replaced or restated, and the provisions of any other similar law, statute or ordinance now or hereafter in effect. Agency's obligation to pay Rent shall not abate because of any damage or destruction to the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements.

19.3 Restoration and Repair by Agency.

(a) Except as expressly provided in this Paragraph 19.3, in the event of any damage to or destruction of all or any portion of Agency's Improvements or Developer's Improvements, Agency shall within a reasonable period of time commence and complete, or cause to be commenced and completed, the restoration, replacement, or rebuilding of Agency's Improvements and Developer's Improvements, as applicable, to the condition such improvements were in prior to such damage or destruction (any such restoration, replacement, rebuilding, alterations and additions, together with any temporary repairs and property protection pending completion of the work, being thereafter called "Agency's Restoration"); provided, however, if Agency maintains or causes to be maintained the insurance

required with respect to damage or destruction of the CB-3 Gardens, Agency shall be required to restore the CB-3 Gardens only to the extent of the proceeds of such insurance.

(b) In the event of any Major Damage or Destruction to the Agency's Improvements or Developer's Improvements at any time when there is less than ten (10) years remaining on the term of this Lease, Agency shall as promptly as practicable: (i) commence and complete Agency's Restoration of all damage or destruction to Agency's Improvements and Developer's Improvements; (ii) raze all of Agency's Improvements and Developer's Improvements, remove any rubble arising therefrom, and landscape the entire Leased Rooftop Surface in a manner compatible with City's Improvements, as determined by City in its reasonable discretion; or (iii) raze only Agency's Improvements or only Developer's Improvements, remove any rubble arising therefrom, commence and complete Agency's Restoration of any improvements not razed, and landscape that portion of the Leased Rooftop Surface upon which such improvements which were razed were located, such landscaping to be accomplished in a manner compatible with City's Improvements and the improvements on the Leased Rooftop Surface not razed, as determined by City in its reasonable discretion. In all cases, Agency shall cause the Leased Rooftop Surface to be returned to a safe condition.

(c) Agency shall give City written notice of the damage or destruction within ten (10) days after the event causing such damage or destruction and shall thereafter give City written notice of Agency's election under clause (i), (ii) or (iii) of Paragraph 19.3(b) within one hundred twenty (120) days after such notice. City shall permit Agency to rebuild under this Paragraph 19.3; provided, however, Agency shall not have such right, if there shall be an Event of Default continuing under this Lease. In the event Agency does not rebuild Agency's Improvements or Developer's Improvements, Agency shall transfer, or cause to be transferred, subject to rights of Developer's Mortgagee(s) as provided in the Developer Sublease, to City all insurance proceeds resulting from the casualty to such improvements not rebuilt, less any payments actually made for razing such improvements and landscaping the Leased Rooftop Surface in accordance with the provisions of this Paragraph 19.3. In the event Agency does not elect to rebuild, Agency shall deliver or cause to be delivered to City, possession of Agency's Rooftop Surface (if Agency's Improvements are not rebuilt) and Developer's Rooftop Surface (if Developer's Improvements are not rebuilt), and shall quitclaim or cause to be quitclaimed to City all right, title and interest in such portions of the Leased Rooftop Surface and such improvements so delivered.

(d) The term "Major Damage or Destruction" shall mean any damage or destruction to any improvements on the Leased Rooftop Surface the cost of Agency's or Developer's Restoration of which will exceed fifty percent (50%) of the cost to replace either Agency's Improvements (in the case of damage or destruction to such improvements) or Developer's Improvements (in the case of damage or destruction to such improvements) in their entirety. The calculation of said percentage shall be based upon the replacement cost of Agency's Improvements or Developer's Improvements as of the date of the subject damage or destruction. In case City and Agency cannot mutually agree upon such replacement value or cost or the percentage of such damage or destruction, such matter or matters shall be submitted to arbitration pursuant to Paragraph 30.01.

(e) If Agency elects under clause (ii) of Paragraph 19.3(b) not to rebuild, and if Agency complies with all of the provisions of Paragraph 19.3(c), then this Lease shall terminate upon the date Agency complies with all of the terms of such Paragraph 19.3(c), and City and Agency shall be released thereby without further obligations to either such entity as of the effective date of such termination. If Agency elects under clause (iii) of Paragraph 19.3(b) not to rebuild either Agency's Improvements or Developer's Improvements, and if Agency complies with all of the provisions of Paragraph 19.3(c), then

this Lease shall terminate only as to Agency's Rooftop Surface (if Agency's Improvements are not rebuilt) or only as to Developer's Rooftop Surface (if Developer's Improvements are not rebuilt). Notwithstanding the foregoing, any such termination shall in no way affect (i) the indemnification provisions hereof, (ii) any amounts accrued or due and payable by Agency to City as of the effective date of such termination of whatever kind, including without limitation, Net Rent, Impositions, and insurance premiums, or (iii) the rights of Developer or Other Sublessee under any Non-Disturbance Agreement.

19.4 Restoration and Repair by City.

(a) Except as expressly provided in this Paragraph 19.4, in the event of any damage to or destruction to all or any portion of the Convention Center or City's Improvements, City shall within a reasonable period of time commence and complete the restoration, replacement or rebuilding of the Convention Center and City's Improvements to the condition they were in prior to such damage or destruction (any such restoration, replacement, rebuilding, alterations and additions, together with any temporary repairs and property protection pending completion of the work, being herein referred to as "City's Restoration"); provided, however, that City shall not be required to undertake City's Restoration of any such damage or destruction if the insurance proceeds actually received by

City on account thereof are insufficient to pay fully the costs of City's Restoration.

(b) In the event City in its reasonable discretion determines that any damage or destruction to the Convention Center or the Convention Center Rooftop Surface has resulted in all or any portion of the Convention Center Rooftop Surface being structurally unsafe for the continued use and occupancy thereof in the manner contemplated by this Lease, City shall have the option not to undertake any of City's Restoration with respect to such damage or destruction but to raze (at its sole cost and expense if such damage or destruction is due to an act or fault of City, its officers, employees, agents or contractors, and, in all other instances, at the joint expense of the City, Agency and Developer, prorated according to such costs equitably allocated to their respective Improvements) all improvements on the CB-3 Property, remove the rubble therefrom, and provide Agency a level surface at ground level on which Agency's Improvements and Developer's Improvements can be rebuilt. In such event City shall also pay to the Agency and Developer, respectively, the unamortized value of their respective Improvements on the CB-3 Property, taking into consideration the remaining value of said Improvements to the Agency and Developer given the years remaining of the term of this Lease and the Developer Sublease, but in no event less than the amount required to pay any Mortgagee of such Improvements, to

the extent that the Agency and Developer are not reimbursed by insurance proceeds therefrom. In addition, if Agency's Improvements or Developer's Improvements, as well as City's Improvements or the Convention Center, are damaged or destroyed, and Agency elects pursuant to Paragraph 19.3 not to undertake Agency's Restoration of either of Agency's Improvements or Developer's Improvements, City shall have the option not to undertake City's Restoration of the damage or destruction of its improvements.

(c) In the event City is required to undertake any of City's Restoration of the Convention Center or City's Improvements under this Paragraph 19.4, City shall not be required to maintain the same uses of such improvements as before the damage or destruction; provided, however, that any change in such use or uses shall in all cases be compatible with Developer's uses and Improvements and Agency's uses and Improvements and not providing substantially similar goods or service to those being provided under any then current use by Agency or Developer of the Leased Rooftop Surface as permitted by this Lease, and Agency shall not unreasonably withhold its approval of change in use by City. City shall give Agency notice of any damage or destruction to the Convention Center within ten (10) days after the event causing such damage or destruction and shall thereafter give Agency notice of City's election to exercise any options under Paragraph 19.4(b) within

one hundred twenty (120) days after such notice, or if Agency is entitled to make an election under Paragraph 19.3(b), the notice provided by Agency to City pursuant thereto.

20. CONDEMNATION.

20.1 Definitions. The term "Condemnation" shall mean the taking of all or any part of the Leased Rooftop Surface under the power of eminent domain, including any taking for temporary use. The term "taking" or "taken" shall mean an acquisition, whether by judicial proceedings or voluntary conveyance, and/or damaging, including without limitation severance damage. The term "Condemnation Date" shall mean the earlier of the date when possession of the condemned property is taken by the condemning authority, or the date when title to the condemned property vests in the condemning authority. City and Agency hereby expressly acknowledge and agree that the provisions of California Code of Civil Procedure Sections 1265.120 and 1265.130 shall not apply to any Condemnation and hereby waive such provisions.

20.2 Notice to City. In case of a Condemnation of all or any part of the Leased Rooftop Surface, or the commencement of any proceedings or negotiations which might result in such Condemnation, Agency shall within a reasonable period of time give written notice thereof to City generally describing the

nature and extent of such Condemnation or the nature of such proceedings or negotiations and the nature and extent of the Condemnation which might result therefrom, as the case may be.

20.3 Total Condemnation. In the case of a Condemnation of City's leasehold interest (during the term of the CB-3 Project Lease) or fee interest (after expiration of the term of the CB-3 Project Lease) in the Leased Rooftop Surface, or of the entire leasehold estate created under this Lease (excepting in each case a taking for temporary use) this Lease shall terminate as of the Condemnation Date. In the event there occurs a Condemnation of any such property interest (excepting in each case a taking for temporary use) that results in the portion of the Leased Rooftop Surface remaining after such Condemnation (even if Agency's Restoration were completed) being unsuitable or economically unfeasible for the use to which such remaining part of the Leased Rooftop Surface had been put prior to such Condemnation, as determined by Agency in its reasonable discretion, then Agency may, at its option, terminate this Lease by written notice to City given within ninety (90) days after the Condemnation Date. Such termination shall be effective as of a date specified in such notice, but in any case within one hundred twenty (120) days after the date of such notice. Any Condemnation of the Leased Rooftop Surface of the character referred to in this Paragraph 20.3 is referred to herein as a "Total Condemnation."

20.4 Partial Condemnation. In case of a Condemnation of City's leasehold interest (during the term of the CB-3 Project Lease) or fee interest (after expiration of the term of the CB-3 Project Lease) in the Leased Rooftop Surface, or the leasehold interest created under this Lease, other than a Total Condemnation but including a Condemnation for temporary use (a "Partial Condemnation"), then: (a) unless the remainder portion is rendered unsuitable or economically infeasible for use under this Lease, this Lease shall remain in full force and effect as to the portion of the Leased Rooftop Surface or leasehold estate remaining immediately after such Condemnation, without any abatement or reduction of Net Rent or any other sums payable hereunder; and (b) Agency, but only to the extent the awards or payments, if any, on account of such Condemnation shall be sufficient and available to Agency for such purpose, at no cost and expense to City, shall promptly commence and complete, or cause to have commenced and completed, Agency's Restoration of Agency's Improvements and Developer's Improvements as nearly as possible to the condition thereof as existed immediately prior to such Condemnation (provided, that if Agency does not restore such improvements because of lack of proceeds, City shall be entitled to terminate this Lease). In case of a Partial Condemnation (including a Condemnation for temporary use), Agency shall furnish to City evidence reasonably satisfactory to City of the total cost of Agency's Restoration.

20.5 Allocation of Awards.

(a) The term "Net Awards and Payments" shall mean any awards or other payments for the benefit of any person or interest in connection with a Condemnation, less (i) reasonable costs, fees and expenses incurred by City, Agency and Developer, and actually paid in the collection thereof, and (ii) amounts paid to the Developer under Developer's Sublease on account of Developer's interest in the Developer's Rooftop Surface. Amounts payable to Developer under Developer's Sublease shall be paid to Developer and shall be applied in the manner specified therein. Agency shall use reasonable efforts to ensure that any construction work on Developer's Rooftop Surface required under Developer's Sublease in connection with such amounts paid to Developer is performed in accordance with the provisions of this Lease applicable as if Agency received such proceeds and performed such construction.

(b) Net Awards and Payments received on account of a Partial Condemnation (other than a Condemnation for temporary use) shall be held and applied to pay the cost of Restoration of the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements in the manner and subject to the limitations and conditions specified in Paragraph 17. The balance, if any, shall be divided between City and Agency in the ratio, as nearly as practicable, which (i) the then current value of

City's interest in the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements valued as encumbered by this Lease, including City's reversionary interest in such property and the right to receive all rent and other payments hereunder, bears to (ii) the then current value of Agency's interest in this Lease for the remainder of the term of this Lease, each as determined by appraisal as provided in Paragraph 30.2; provided, however, that (i) Agency's share of any such balance shall be applied first to the payment of any past due Net Rent, Additional Rent, or any other payment hereunder, including, without limitation, any past due payments of Impositions, and (ii) City's share of any such balance shall be applied first to the payment of any past due monetary obligation of the City hereunder.

(c) Subject to the provisions of Paragraph 20.5(d), Net Awards and Payments received on account of a Partial Condemnation for temporary use shall be paid in accordance with the provisions of this Paragraph 20.5(c). The "Projected Net Rent" shall be determined by the CB-3 Percentage Rent payable (or, if Central Block Percentage Rent is payable, by an equitable calculation with respect to what the CB-3 Percentage Rent would be) under this Lease for the immediately preceeding full Fiscal Year, adjusted as provided herein. The Projected Net Rent shall be escalated on the same basis of escalation that was utilized in the Condemnation proceedings in arriving at the

amount of Net Awards and Payments. If there is not a clearly ascertainable escalation formula in any such Net Awards and Payments, on the third anniversary of the Condemnation Date for temporary use, and every third anniversary thereafter, the Projected Net Rent shall be increased by the percentage increase in the [Consumer Index]. If the Net Awards and Payments for a Condemnation for temporary use are paid annually, such amount shall be paid to a depository to be selected in the same manner as is provided in Paragraph 17.5(c), who shall disburse therefrom to City the Projected Net Rent, and to Agency the balance. If the Net Awards and Payments for a Condemnation for temporary use are paid in a lump sum, such amount shall be paid to a depository, to be selected in the same manner as is provided in Paragraph 17.5(c), who shall disburse therefrom to City annually the amount of the sum of the Projected Net Rent for each year of such temporary condemnation, and to Agency the balance.

(d) Notwithstanding the provisions of Paragraph 22.5(c), if any portion of the Net Awards and Payments: (i) is paid by the condemnor in connection with a partial condemnation for temporary use by reason of any damage to or destruction of any of Agency's Improvements or Developer's Improvements, such portion shall be held and applied as provided in Paragraph 22.5(b); (ii) is paid by the condemnor in connection with a partial condemnation for temporary use and relates to a period

beyond the date of termination of the term of this Lease (including any sums paid for restoration of any improvements following such date of termination) such portion shall be paid to City; and (iii) becomes payable to Agency, and if any Net Rent or other sums payable hereunder (including, without limitation, any payment of any Imposition provided for hereunder) shall be due and unpaid, such award or payment shall first be applied to the payment thereof.

(e) Net Awards and Payments received on account of a Total Condemnation shall be allocated in the same manner as specified in Paragraph 22.5(b) with respect to allocations after all costs of Restoration have been paid.

(f) If there is an Event of Default hereunder, City shall receive all Net Awards and Payments otherwise payable to Agency pursuant to this Paragraph 20.5 until City has received an amount sufficient to cure such default and reimburse City in full for any costs, expenses, damages, or losses suffered as a result thereof. Except as otherwise provided in this Paragraph 20.5(f), Agency shall be entitled to retain any Net Awards and Payment allocable to Agency's personal property located on the Premises and taken as a result of condemnation.

20.6 Arbitration of Disputes. In the event the parties are unable to agree on the existence of a Total, Partial or

Temporary Condemnation, or on the effect of such Condemnation as provided herein, or on the allocation of any Net Awards and Payments hereunder, such allocation shall be submitted to arbitration pursuant to Paragraph 30.1.

21. MORTGAGE OF LEASEHOLD

21.1 Mortgage by Agency. Agency acknowledges and agrees that it shall not mortgage or otherwise encumber all or any part of its interest under this Lease without the prior written consent of City, which consent may be withheld by City in its sole and absolute discretion. Any attempt to so encumber any such interest without such approval shall be of no force or effect as to City, and City shall not be required to recognize any person or entity attempting to acquire Agency's interest in this Lease upon a default of the obligations secured by such mortgage or other encumbrance.

21.2 Mortgage by Developer. The right of Developer to mortgage or otherwise encumber (including, without limitation, its interest in) all or any part of its interest under the Developer's Sublease shall be governed exclusively by the applicable provisions of Developer's Sublease and nothing in this Lease shall be construed to affect such right or give the City any review or right of approval with respect thereto. The rights or obligations of a Mortgagee (as defined in the Devel-

oper Sublease) or any other person or entity, including, without limitation, the rights to encumber, transfer, assign or lien any leasehold interest in the CB-3 Property acquired from Developer shall also not be affected by this Lease. Agency agrees not to amend, alter or modify in any way the applicable provisions of Developer's Sublease without the prior written consent of City, which consent shall not be unreasonably withheld.

22. INSOLVENCY OR BANKRUPTCY

22.1 Event of Default. The appointment of a receiver, trustee or custodian to take possession of all or substantially all of the assets of Developer, any general partner of Developer, any guarantor of the Disposition and Development Agreement with respect to the CB-3 Property, or Agency (individually a "Principal" and collectively the "Principals"), or an assignment by a Principal for the benefit of creditors, or any action taken or suffered by a Principal under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, shall constitute an Event of Default hereunder by Agency subject to the provisions of Paragraph 22.2.

22.2 Exceptions to Event of Default. Notwithstanding the provisions of Paragraph 22.1, City and Agency agree that:



(a) any involuntary case filed against any Principal under any act or statute specified in Paragraph 22.1 shall not constitute an Event of Default unless (i) such Principal shall acquiesce therein, or (ii) such Principal shall not have secured a stay or dismissal of any such involuntary case within sixty (60) days after the date of the filing thereof, or (iii) at any time during said sixty (60) days period, such Principal shall fail to pursue diligently by appropriate proceedings the stay or dismissal of any such involuntary case; and

(b) any of the above-described acts or events taken or suffered by a Principal other than Agency shall not constitute an Event of Default by Agency if, promptly after the occurrence thereof, Agency provides City with adequate assurances reasonably satisfactory to City that Agency has the capability to perform or obtain and cause others to perform and thereafter will perform or cause to be performed by others all of the covenants, conditions and agreements hereof that had theretofore been satisfied by such other Principal pursuant to the terms of the DDA, Developer's Sublease, the Construction Guarantee or otherwise, with respect to the CB-3 Property.

22.3 Assignment Upon Bankruptcy. Upon the happening of any event specified in Paragraph 22.1, but subject to the provisions of Paragraph 22.2, this Lease shall automatically terminate, subject to any requirement hereunder for the City to

enter into a Non-Disturbance Agreement, without further notice of termination from City to Agency or any other person or entity. In no event shall this Lease be assigned or assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise,

and in no event shall this Lease or any rights or privileges hereunder be an asset of Agency under any bankruptcy, insolvency, reorganization, moratorium or other debtor relief proceedings.

23. DEFAULT BY AGENCY AND CITY

23.1 Event of Default by Agency. An "Event of Default" shall be deemed to have occurred if any of the events specified in Paragraph 23.1(a) through (k) shall occur; provided, however, that no Event of Default shall be deemed to have occurred with respect to any event which is the subject of arbitration hereunder for so long as such arbitration is continuing.

(a) Agency shall fail to pay any Net Rent or Additional Rent due to City and such failure continues for ten (10) Business Days after written notice from City.

(b) Agency shall fail to commence, proceed with and complete Initial Construction of Agency's Improvements or Developer's Improvements, or any Subsequent Construction with

respect to such improvements, in accordance with the requirements of this Lease and, as applicable, the DDA and the Developer Sublease.

(c) Agency shall fail to fully perform or comply with any covenant or condition of this Lease other than those specified in Paragraphs 23.1(a) or (b), and such failure shall continue for more than thirty (30) days after notice thereof from City, or, if such default cannot be cured within such thirty (30) day period, Agency shall not within such period commence with due diligence and dispatch the curing of such default (including, without limitation, any failure by the Developer under the Developer Sublease resulting in a failure by Agency hereunder), or having so commenced, shall thereafter fail or neglect to prosecute or complete with diligence and dispatch within a reasonable time the curing of such default.

(d) A writ of attachment or execution is levied on this Lease.

(e) Except as permitted by Paragraph 18.12 of the Developer Sublease, the Leased Rooftop is abandoned or ceases to be used for the uses permitted under this Lease.

(f) There shall occur an event of default under the Construction Guarantee applicable to the construction of Devel-

oper's Improvements and Agency shall not be diligently pursuing its remedies to enforce said Construction Guarantee.

23.2 Remedies of City.

(a) Upon the occurrence of any Event of Default, City at any time thereafter may give written notice of termination to Agency, and, subject to Paragraph 21, on the date specified in such notice this Lease shall terminate and all rights of Agency under this Lease shall cease. City shall have the option, but not the obligation, upon termination of this Lease to acquire, at no cost or expense to City, any or all of Agency's right, title and interest in the Leased Rooftop Surface, Agency's Improvements, Developer's Improvements (subject, however, to the Developer's Non-disturbance Agreement), any personal or intangible property of any nature owned by Agency or the date of such default and located on and used in connection with the operation of the Leased Rooftop Surface, including without limitation any contracts, licenses or agreements related thereto. Agency agrees to promptly execute and deliver to City such quitclaim deeds, assignments, bills of sale or other documents or instruments as City may require to evidence the transfer of any such property to City upon its election to acquire the same.

(b) Subject to the terms of Developer's Non-Disturbance Agreement, City shall have the right at its option to take over any and all subleases and sublettings of the Leased Rooftop Surface or any part thereof and all concessions and licenses and agreements by Agency for the maintenance thereof or supplies thereof, and at City's option to have and succeed to all the risks and privileges of said subleases, sublettings or concessions, licenses or agreements or such of them as it may elect to take over and assume. Upon any such termination of this Lease, Agency shall promptly upon request, assign and transfer to City such of the subleases, sublettings, concessions, licenses and agreements as City may elect to take over and assume as may exist and be in force and effect at the time of such termination, together with all deposits provided to Agency pursuant thereto. Agency hereby further expressly covenants that Agency will, upon request of the City, execute, acknowledge and deliver to City such instruments as may be necessary or desirable to vest in City the then existing subleases and sublettings of the Leased Rooftop Surface or any part thereof and the licenses, concessions and agreements then in force, as above specified. Notwithstanding any provision of the Developer's Non-Disturbance Agreement or this Lease, in the event that this Lease is terminated and City succeeds to Agency's position as lessor under Developer's Sublease, City shall be liable for any costs payable by the lessor thereunder with respect to the Leased Rooftop Surface only to the extent of

rent and other sums received by City from Developer under the terms of Developer's Sublease plus the amount of any payments received by City pursuant to Section 2.15 of the Retail Lease with respect to the CB-3 Gardens and available for such purposes. [This subparagraph (b) to be revised to conform with Nondisturbance Agreement.]

23.3 Survival of Obligations. No expiration or termination of this Lease pursuant to this Paragraph 23 or by operation of law or otherwise, shall relieve Agency of its liabilities and obligations hereunder arising prior to termination of this Lease, all of which shall, subject to the limitations of Paragraph 36.1, survive such expiration, termination or repossession (including without limitation, the right of City to indemnification for liability, and for personal injuries or property damage) and City shall further be entitled to equitable relief to the fullest extent permitted by law.

23.4 Default by City. An Event of Default by City shall occur hereunder if City shall fail to fully perform any covenant of City under this Lease and such failure shall continue for more than thirty (30) days after notice thereof from Agency, or, if such default cannot be cured within such thirty (30) day period, City shall not within such period commence with due diligence and dispatch the curing of such default, or having so commenced, shall thereafter fail or neglect to prosecute or

complete with diligence and dispatch within a reasonable time the curing of such default.

23.5 Remedies of Agency. Upon the occurrence of any Event of Default by City, Agency shall have, subject to the limitations of Paragraph 30.2, the right to seek injunctive relief (but not specific performance), the right to seek damages (but only to the extent provided in Paragraph 36.2), and the right to offset against Net Rent payable by the Agency under this Lease any sums owing to Agency by City hereunder, including, without limitation, the failure of the City to appropriate or pay funds appropriated under the provisions of Paragraphs 19.6 and 11.3.

24. RIGHTS TO PERFORM; RIGHTS TO ENFORCE.

24.1 City's Right to Perform Agency's Covenants. Agency covenants and agrees that if Agency shall at any time fail to perform any act, covenant, term, condition or agreement on Agency's part to be performed under this Lease, City may if such failure is not cured within fifteen (15) days of written notice from City (except that any failure to obtain the insurance requested hereunder must be cured within five (5) days of written notice from City), (or if such failure is not reasonably susceptible to being cured within such 5 or 15 day period, Agency fails to commence to cure such failure within such 5 or

15 day period and thereafter diligently proceed to complete such cure) or without notice in any emergency, but shall not be obligated to, perform any such act, covenant, term, condition or agreement for and on behalf of Agency, and Agency shall reimburse City for all sums so paid by City, and all necessary incidental costs and expenses in connection with the performance of any such act by City, including reasonable attorneys' fees, together with interest thereon at the Interest Rate from the date of the making of such expenditure by City.

24.2 Performance of Agency's Covenants By Developer.

(a) Unless otherwise specifically provided herein to the contrary, Agency shall have the right to perform its obligations hereunder by causing Developer to perform the same, provided that Agency shall not thereby be released from liability for the performance thereof. City shall have the right (without limiting City's rights against Agency or releasing Agency from any liability hereunder) to proceed directly against Developer, as third party beneficiary of Developer's obligations under Developer's Sublease, to enforce any covenants of Developer to perform any obligations of Agency hereunder; provided, that Agency shall be provided prior notice of any such attempted enforcement and given an opportunity to cure or cause Developer to cure such default (within the time periods specified in Paragraph 23.1) and join in any court action

or arbitration proceeding with respect thereto; provided, further, that such right of enforcement shall in no way enlarge Developer's obligations under Developer's Sublease.

(b) In the event there shall occur an Event of Default by Agency under this Lease, Developer shall have the right but not the obligation to cure such default and City agrees that it will accept performance by Developer as if such performance were provided directly by Agency; provided, however, that Developer's right to cure shall be subject to Developer providing prior written notice to Agency of its intention to do so and Agency providing its prior written consent thereto, which consent shall not be unreasonably withheld or delayed. Developer's right to cure under this Paragraph 24.2(b) shall extend to any lender making a loan secured by all or any part of Developer's interest in the Leased Rooftop Surface, subject to the same conditions imposed on the exercise of such right by Developer.

24.3 Enforcement by Developer. City and Agency acknowledge and agree that Developer shall be entitled to enforce City's obligations to Agency under this Lease (subject, however, to the provisions of Paragraph 36.2); provided, however, that Developer shall provide Agency with written notice of its intent to do so and shall obtain Agency's consent thereto, which consent shall not be unreasonably withheld or delayed;

provided, further, that Agency shall be joined in any arbitration proceeding or court action with respect to such enforcement.

25. TRANSFER BY CITY

In the event of any transfer by City of City's interest in this Lease, City (and in case of any subsequent transfer, the then transferor) shall be automatically freed and relieved from and after the date of such transfer of all personal liability for the performance of any covenants or obligations on the part of City contained in this Lease thereafter to be performed; provided, however, that any funds in the hands of City or the then transferor at the time of such transfer, in which Agency has an interest, shall be turned over to the transferee and any amount then due and payable to Agency by City or the then transferor under any provision of this Lease shall be paid to Agency; and provided, further, that upon such transfer, the transferee shall expressly assume, subject to the limitations of this Paragraph 25, all of the covenants, conditions and agreements in this Lease to be performed on the part of City, it being intended hereby that the covenants, conditions and agreements contained in this Lease on the part of City shall be binding on each landlord, its successors and assigns, only during its period of ownership of such landlord's interest in this Lease.

26. ESTOPPEL CERTIFICATES

26.1 Estoppel Certificate from Agency. Agency will execute, acknowledge and deliver to City, within ten (10) days after receipt of a written request, a certificate certifying that: (a) this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified and stating the modifications); (b) the dates, if any, to which any rent and other sums payable hereunder have been paid; and (c) no notice has been received by Agency of any default which has not been cured, except as to defaults specified in said certificate. Any such certificate may be relied upon by any prospective purchaser or mortgagee of City's interest in the Leased Rooftop Surface, or any part thereof.

26.2 Estoppel Certificate from City. City will execute, acknowledge and deliver to Agency and/or Developer, within ten (10) days after receipt of a written request, a certificate certifying that: (a) this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications); (b) the dates, if any, to which rent and other sums payable hereunder have been paid; and (c) whether or not, to the knowledge of City, there are then existing any defaults under this Lease (and if so, specifying the same).

Any such certificate may be relied upon by any prospective transferee, mortgagee, or sublessee of Agency's interest under this Lease.

27. CB-3 PROJECT LEASE

27.1 Relation to CB-3 Project Lease. City and Agency recognize and agree that this Lease: (a) constitutes a "surface sublease" as referred to and described in Section 18(b) of the CB-3 Project Lease; (b) complies with the requirements of such section; and (c) is consistent with the rights and obligations of City under such lease and the bond financing documents executed in connection with the construction of the Convention Center. During the term of the CB-3 Project Lease and until the expiration thereof, this Lease and all the interests of Agency arising hereunder in and to the Leased Rooftop Surface, Agency's Improvements, Developer's Improvements, and all interests of any subtenant or any other person or entity claiming any interest in and to all or any part of the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements by, through or under Agency, shall be subject and subordinate to the CB-3 Project Lease and each and every and all of the terms and conditions thereof. Notwithstanding any of the terms and conditions of this Lease, none of Agency, Developer, or any Occupant shall at any time use or occupy the Leased Rooftop Surface or any portion thereof, or carry on any activities on

the Leased Rooftop Surface or any portion thereof, or fail to take any action not authorized by this Lease which would in any manner conflict with any of the terms and conditions of the CB-3 Project Lease or that may give rise to an event of default thereunder on the part of City.

27.2 Termination of CB-3 Project Lease. In the event that the CB-3 Project Lease is terminated prior to the scheduled expiration date of the term thereof as a consequence of any default by City thereunder, Agency agrees to attorn to the lessor thereunder and to recognize such lessor as the City under this Lease for the remaining term hereof; and said lessor under the CB-3 Project Lease shall not be bound by any payment of rent made by Agency to City for a period of more than two (2) months in advance, nor by any terms or conditions of this Lease which may have been modified or amended at any time hereafter without the written consent of said lessor. Upon the expiration of the term of the CB-3 Project Lease and in accordance with the terms thereof, fee title to the CB-3 Property, the Convention Center and the other portion of the Facilities shall vest in City; and upon such event and provided that Agency is not then in default hereunder, this Lease shall continue in full force and effect in accordance with all of the terms and conditions hereof for the balance of the term hereof or until any sooner termination as provided for herein. Notwithstanding any provisions of Developer's Sublease, the DDA,

or any other agreement of Agency, Developer or any third party, any acquisition by Developer or any third party of any fee interest of Agency in and to all or any part of the CB-3 Property (including any such interest acquired under the terms of Developer's Sublease) shall be subject and subordinate to the right of City under the CB-3 Project Lease to acquire fee title to the CB-3 Property, the Convention Center and any other portion of the Facilities upon termination of the CB-3 Project Lease.

28. END OF LEASE TERM

Upon the expiration or sooner termination of the term of this Lease, Agency shall quit and surrender the Leased Rooftop Surface to City in first-class order and condition, reasonable wear and tear excepted to the extent the same is consistent with maintenance of the Leased Rooftop Surface in a first-class condition. Agency hereby agrees to execute all documents that City may deem necessary to evidence any such other termination. Any holding over by Agency after the expiration or termination of this Lease shall not constitute renewal hereof or give Agency any rights hereunder or in the Leased Rooftop Surface, except with the prior written consent of City, and Agency shall be a Tenant at sufferance hereunder.

29. INSPECTION OF AGENCY'S ROOFTOP SURFACE BY CITY

29.1 Entry by City.

(a) Agency shall permit City and the authorized representatives of City to enter the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements at reasonable times, and upon reasonable notice and with Agency's representatives present (and at any time in the event of emergencies) for the purpose of: (i) inspecting the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements; and (ii) performing any work therein that may be necessary by reason of Agency's default under any terms of this Lease. City agrees to give Agency reasonable prior notice of City's entering on the Leased Rooftop Surface, Agency's Improvements, or Developer's Improvements, except in an emergency. Nothing herein shall imply any duty upon the part of City to do any work which under any provision of this Lease that Agency may be required to perform, nor to place upon City any obligation, or liability whatsoever, for the care, supervision or repair of the Leased Rooftop Surface, Agency's Improvements, or Developer's Improvements.

(b) City shall not in any event be liable for inconvenience, loss of business or other damage to Agency or any other person or entity by reason of the performance of any work

on the Leased Rooftop Surface, Agency's Improvements, or Developer's Improvements, or on account of bringing materials, supplies and equipment into or through the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements during the course thereof; provided, however, that City shall be liable for (i) the personal injuries or death of any person or for physical damage to the Leased Rooftop Surface, Agency's Improvements or Developer's Improvements resulting from the active negligence or wilfull act or omission of City or its contractors, employees, or agents, and (ii) a failure to comply with the provisions of Paragraph 10.5.

29.2 Exhibit for Sale or Lease. City is hereby given the right during usual business hours to enter the Leased Rooftop Surface, Agency's Improvements and Developer's Improvements and to exhibit the same in a reasonable manner for the purpose of sale, and during the last twenty-four (24) months of the term of this Lease to exhibit the same to any prospective tenant.

30. ARBITRATION/APPRaisal

30.1 Arbitration. City and Agency shall be required to arbitrate any dispute or controversy arising under or in respect of this Lease only if the provisions of this Lease expressly require or permit arbitration to be initiated to resolve such dispute or controversy. In the event of any

arbitration pursuant to this Lease, the arbitration shall be conducted in the City and County of San Francisco, California, by three (3) arbitrators to be appointed pursuant to the Rules of Commercial Arbitration of the American Arbitration Association, and said arbitration shall be conducted in accordance with said Rules of said Association, or its successor, and the provisions of California Code of Civil Procedure Section 1283.05, or any successor or amended statute or law containing similar provisions. This agreement to arbitrate shall be self-executing. The arbitrators shall have no power to modify or enforce any provisions of this Lease and their jurisdiction is limited accordingly. The expenses of arbitration shall be borne equally by City and Agency, provided that each party shall be responsible for the fees and expenses of its own experts, evidence and attorneys. [Note: The foregoing Section is to be revised to conform to the similar provisions in the Agreement to Lease.]

30.2 Appraisal. Any appraisal required or permitted hereunder shall be made in the manner set forth in this Paragraph 30.2.

(a) City and Agency shall, within thirty (30) days of the date that one party hereto provides written requests that an appraisal be made hereunder, each appoint one appraiser to determine the value of the property or interest thereon to

be appraised, and notice of such appointment shall be given to the other party. If either party shall fail or refuse so to appoint an appraiser and give notice thereof within such period, the appraiser appointed by the other party shall within thirty (30) days thereafter individually make such determination. If the parties have each so appointed an appraiser within such thirty (30)-day period, and the appraisers thus appointed shall be unable to agree on such value within thirty (30) days after the appointment of the second appraiser, they shall, within fifteen (15) days thereafter, join to appoint a third appraiser and, if they fail so to appoint such third appraiser within such period, the third appraiser shall be appointed by the Presiding Judge of the Superior Court for the City and County of San Francisco, California, such determination to be made without objection by the parties and to be binding upon each of the parties.

(b) All appraisers appointed hereunder shall be competent, qualified by training and experience in the City and County of San Francisco, disinterested and independent and shall be members in good standing of the American Institute of Real Estate Appraisers or its successor, and all appraisal reports shall be rendered in writing and signed by the appraiser or appraisers making the report. All costs, fees and expenses of the appraisers appointed by each party shall be borne by the party appointing such appraiser, and all costs, fees and

expenses of the third appraiser, if any, shall be borne equally by Agency and City.

(c) Within twenty (20) days after the selection of the third appraiser, the majority of the appraisers shall determine the value of the property interests being appraised. If the majority of the appraisers are unable to so determine the value as set forth above within the stipulated period of time, then, subject to the provisions of Paragraph 30.2(d), the three (3) appraisals for such determination, calculated as set forth above, shall be added together and the sum divided by three; the resulting quotient shall be the value of the property interest being appraised.

(d) If the low appraisal and/or the high appraisal for such value are/is more than ten percent (10%) lower and/or higher than the middle appraisal, the low and/or the high appraisal shall be disregarded. If only one appraisal is disregarded, the remaining two appraisals shall be added together and their total divided by two; the resulting quotient shall be the value of the property interest being appraised. If both the low appraisal and the high appraisal are disregarded as stated in this paragraph, the middle appraisal shall be the value of the property interest being appraised.

31. FORCE MAJEURE

[Note: This Article shall be revised to reflect the force majeure provisions of the DDA or, as applicable, the Retail Lease.]

31.1 Definitions.

(a) The term "Ordinary Force Majeure" shall mean any event which results in delays in Agency's performance of obligations under this Lease due primarily to causes beyond Agency's or Developer's control including, but not restricted to, acts of God or of the public enemy, acts of the government (other than acts of government relating to the issuance of any building permits for Agency's Improvements or Developer's Improvements), fires, floods, strikes, freight embargoes, delays of subcontractors and unusually severe weather. Ordinary Force Majeure does not include litigation, failure to obtain financing or Agency's failure to otherwise have adequate funds, or acts of City; provided, however, that any action or inaction by the City and County of San Francisco in the exercise of its general municipal powers shall not be deemed to be acts of City.

(b) The term "Litigation Force Majeure" shall mean an administrative appeal brought by a third party (an "Adminis-

trative Appeal") or litigation brought by a third party which seeks an injunction to halt or prevent construction of Agency's Improvements or Developer's Improvements; and (A) if prior to commencement of Substantial Construction (i) an injunction issues, or (ii) Agency obtains or causes to be obtained an opinion from independent, experienced counsel reasonably satisfactory to City that it is likely that an injunction will issue (except that if the challenge is procedural and City furnishes Agency with an independent opinion of counsel that such defect is curable and City seeks to cure the defect, such event does not constitute Litigation Force Majeure), or (B) if after commencement of Substantial Construction, Agency elects in its good faith judgment to treat such litigation as Litigation Force Majeure (provided that if a preliminary injunction is sought and denied, such continuance of such litigation shall not constitute Litigation Force Majeure).

31.2 Non-Construction Obligations. The period of time within which either City or Agency shall be required to perform any act under this Lease (other than the payment of money in any instance required hereunder and each such entity's respective obligations under Paragraph 9), shall be extended by a period of time equal to the number of days during which performance of such act is delayed by reason of Ordinary Force Majeure.

31.3 Construction Obligations. Agency and City shall not be considered in breach of or default in its obligations under Paragraph 9 in the event of enforced delay in the performance of their respective obligations thereunder due to:

(a) Litigation Force Majeure, provided, that (i) in the event of the occurrence of such enforced delay as the result of an Administrative Appeal, the time or times for completion of construction (but not the time for submission of Construction Documents for each phase) may be extended, (ii) if at the expiration of a five (5) year period from the commencement of such delay, the event of Litigation Force Majeure is still in effect, Agency or City, as applicable, shall be deemed to be in default in the performance of such entity's obligations, and (iii) if at any time a permanent injunction becomes final which prevents completion of Agency's Improvements or Developer's Improvements, Agency shall be deemed to be in default in the performance of such obligations, and (iv) Agency, within thirty (30) days after the beginning of any such enforced delay, shall have first notified City thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the enforced delay; and

(b) Ordinary Force Majeure for a period of not to exceed four (4) years, provided that (i) after two (2) years of Ordinary Force Majeure extension, Agency must revise the [De-

velopment Cost Budget] and must cause the cap on the [Construction Guaranty] to be adjusted (with the written consent of the Guarantor) to reflect such revised budget, and (ii) at all times all licenses, permits and loan commitments for the Initial Construction of Agency's Improvements and Developer's Improvements shall remain in full force and effect or be renewed or replaced within one hundred twenty (120) days of their expiration or termination. If at the expiration of a four (4) year period from the commencement of such delay, or if conditions (i) and (ii) above are not satisfied, Agency shall be in default in the performance of such obligations.

32. WAIVER

No waiver of any default under this Lease shall constitute or operate as a waiver of any subsequent default hereunder, and no delay, failure or omission in exercising or enforcing any right, privilege, or remedy under this Lease shall constitute a waiver, abandonment or relinquishment thereof or prohibit or prevent any election under or enforcement or exercise of any right, privilege or remedy hereunder. No waiver of any provision hereof by City or Agency shall be deemed to have been made unless and until such waiver shall have been reduced to writing and signed by City or Agency, as the case may be. The receipt and acceptance by City of rent with knowledge of any default under this Lease shall not constitute or

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operate as a waiver of such default, except to the extent that such default is fully cured by such payment. Failure by City or Agency, as the case may be, to enforce any of the covenants, conditions or agreements of this Lease for any length of time, or from time to time, shall not be deemed to waive or limit the right of such party to insist thereafter upon strict performance thereof by the other party.

33. NOTICES

If at any time after the execution of this Lease, it shall be required or become necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication shall be in writing and shall be served by certified United States mail, return receipt requested, postage prepaid, and (i) if intended for City shall be addressed to:

City and County of San Francisco
Clerk of the Board of Supervisors
City Hall
San Francisco, California 94102

with a copy to:

Chief Administrative Officer
City and County of San Francisco
City Hall
San Francisco, California 94102

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part outlines the various methods and techniques used to collect and analyze data. It includes a detailed description of the experimental procedures and the statistical tools employed.

3. The third part presents the results of the study, showing the trends and patterns observed in the data. It includes several tables and graphs to illustrate the findings.

4. The fourth part discusses the implications of the results and provides recommendations for future research. It highlights the areas that need further exploration and the potential applications of the findings.

5. The fifth part concludes the document by summarizing the key points and reiterating the significance of the study. It expresses the hope that the findings will be useful to the research community and provide a basis for further investigation.

6. The sixth part includes a list of references to the sources used in the study. It provides a comprehensive overview of the literature related to the topic and acknowledges the contributions of other researchers.

7. The seventh part contains a list of appendices, which include additional data, figures, and tables that are not included in the main text. These appendices provide a more detailed look at the study's findings and methodology.

8. The eighth part is a list of figures and tables, which are numbered and titled to correspond to the content in the text. These visual aids help to clarify the data and make it easier to understand.

9. The ninth part is a list of tables, which are numbered and titled to correspond to the content in the text. These tables provide a structured way to present data and facilitate comparison and analysis.

10. The tenth part is a list of figures, which are numbered and titled to correspond to the content in the text. These figures provide a visual representation of the data and help to highlight key trends and patterns.

11. The eleventh part is a list of tables, which are numbered and titled to correspond to the content in the text. These tables provide a structured way to present data and facilitate comparison and analysis.

12. The twelfth part is a list of figures, which are numbered and titled to correspond to the content in the text. These figures provide a visual representation of the data and help to highlight key trends and patterns.

13. The thirteenth part is a list of tables, which are numbered and titled to correspond to the content in the text. These tables provide a structured way to present data and facilitate comparison and analysis.

14. The fourteenth part is a list of figures, which are numbered and titled to correspond to the content in the text. These figures provide a visual representation of the data and help to highlight key trends and patterns.

15. The fifteenth part is a list of tables, which are numbered and titled to correspond to the content in the text. These tables provide a structured way to present data and facilitate comparison and analysis.

or (ii) if intended for Agency shall be addressed to:

Executive Director
Redevelopment Agency of San Francisco
Secretary of the Agency
P.O. Box 646
San Francisco, California 94101

In the event either party provides notice under this Lease to the other party, a copy of such notice shall be delivered to Developer in accordance with the provisions of this Paragraph 33, addressed to:

YBG Associates
A California Limited Partnership
182 Second Street
San Francisco, California
Att'n: Joseph Madonna

The addresses for the parties and Developer may be changed from time to time by furnishing notice in the manner provided herein. Any notice so mailed shall be deemed to have been given forty-eight (48) hours after the time the same is deposited in the United States mail; provided, however, that any notice of a change in the address to which any notices are to be sent to a party shall be effective only upon receipt by the other party.

34. CITY'S COVENANT OF QUIET ENJOYMENT

Subject to the Permitted Exceptions, City covenants and agrees that Agency, upon observing and keeping any covenants, agreements and conditions of this Lease on its part to be kept, shall lawfully and quietly hold, occupy and enjoy the Leased Rooftop Surface during the Term of this Lease without hindrance or molestation of anyone claiming by, through or under City.



Notwithstanding the foregoing, City shall have no liability to Agency in the event of any defect in the title of City, whether or not such defect affects Agency's rights of quiet enjoyment, and no such defect shall be grounds for a termination of this Lease by Agency, and Agency's sole remedy shall be to obtain compensation for such event by pursuing its rights against any title insurance company or companies issuing title insurance policies to Agency.

35. ATTORNEYS' FEES

In the event of any action or proceeding at law or in equity between City and Agency to enforce any provision of this Lease or to protect or establish any right or remedy of either party hereunder, or in the event a dispute arises concerning the meaning or interpretation of any provision of this Lease, then the unsuccessful party to such litigation or the party not prevailing in such dispute, as applicable, shall pay to the successful or prevailing party all costs and expenses, including reasonable attorneys' fees and costs, incurred therein by such party, and if such prevailing party shall recover judgment in any action or proceeding, such costs, expenses and attorneys' fees shall be included in and as a part of such judgment.



36. LIMITATIONS ON RECOURSE

36.1 Recourse Against Agency. Notwithstanding any provision in this Lease to the contrary, following an Event of Default by Agency hereunder occurring after completion of the Initial Construction of the Agency's Improvements, City will not seek a money judgment against or seek specific performance by Agency, its partners, or any officer, employee or representative of Agency, and City's sole remedy shall be to terminate this Lease and succeed to Agency's entire interest in the Leased Rooftop Surface and Agency's Improvements; provided, however, that:

(a) City may recover from Agency for amounts owed City hereunder any amounts payable to Agency with respect to the Leased Rooftop Surface, Agency's Improvements, or Developer's Improvements, either before or after the termination of this Lease, to the extent recovered by Agency (subject, however, to Agency's obligations under Sections 2.14 and 2.15 of the Retail Lease, this Lease and the Easement Agreement);

(b) If City pays any insurance premium which Agency failed to pay as required under Paragraph 17, City may recover from Agency the amount of any such premiums paid;

of the world, and the progress of the human mind, from the earliest times to the present day. The history of the world is a story of the growth of the human race, and the progress of the human mind. It is a story of the struggles of the human race against the forces of nature, and the forces of evil. It is a story of the triumphs of the human race, and the progress of the human mind. The history of the world is a story of the growth of the human race, and the progress of the human mind. It is a story of the struggles of the human race against the forces of nature, and the forces of evil. It is a story of the triumphs of the human race, and the progress of the human mind.

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(c) If Agency fails to apply any insurance or Condemnation proceeds as required by this Lease, City may recover from Agency an amount equal to such proceeds so misapplied; and

(d) If Agency fails to raze Agency's Improvements or Developer's Improvements pursuant to Paragraph 19 after an event of damage or destruction, City may recover from Agency the cost of such razing and related costs under Paragraph 19;

(e) City may recover from Agency amounts to the extent of indemnification liability of the Agency hereunder to the City covered by insurance;

(f) If City incurs any expenses in enforcing the limited recourse provisions of this Paragraph 36.1 (including but not limited to reasonable attorneys' fees) City may recover from Agency such expenses; and

(g) City may recover from Agency any amounts that Agency otherwise recovers from Developer, any general partner of Developer, or any operator or sublessee under Developer's Sublease (subject, however, to Agency's obligations under Sections 2.14 and 2.15 of the Retail Lease).



36.2 Recourse Against City. Agency agrees that it shall have no recourse for money damages with respect to any obligation of City under this Lease, or for any claim based upon this Lease, or otherwise, against City, any officer, director, employee, representative, or attorney, past present or future, of City, or against any person other than City, except (i) to the extent of City's interest in the Leased Rooftop Surface, (ii) to the extent City fails to apply any insurance or condemnation proceeds as required by this Lease, (iii) to the extent of indemnification liability of the City hereunder to the Agency covered by insurance, (iv) to the extent of amounts payable by Agency to City hereunder, including Net Rent, whether accruing before or after the event giving rise to the Agency's claim against the City and (v) to the extent of any expenses incurred by the Agency in enforcing the limited recourse provisions of this Paragraph 36.2 (including, but not limited to, reasonable attorneys' fees); whether by virtue of any constitution, statute, rule of law, rule of equity, enforcement of any assessment as penalty, or by reason of any matter prior to or following the execution and delivery of this Lease, or otherwise, all such liability, by Agency's execution and delivery hereof and as part of the consideration for City's obligations hereunder being expressly waived except as provided herein.

37. ENFORCEMENT OF GUARANTY

[Note: This provision is to be revised to conform to similar provisions of the DDA and DDA Guaranty.]

37.1 Notices; Modifications. Agency shall give City at least ____ (____) days advance written notice before it exercises any rights provided under the Construction Guarantee; provided, however, that Agency may take such actions without prior notice to City if it reasonably determines that any actions must be taken before such notice can be given in order to fully protect Agency's rights thereunder. Agency shall promptly inform City of any default by Developer in the obligations covered by the Construction Guarantee, and of any default that may occur under the Construction Guarantee. In all instances, Agency shall keep City fully informed of any events or developments that materially affect Agency's rights under the Construction Guarantee. Agency shall not consent to or permit any change or modification of the Construction Guarantee, nor shall Agency waive any default thereunder, without City's prior written consent.

37.2 Enforcement of Guaranty. In the event there is an Event of Default in any obligations under the DDA that relate to the construction of Developer's Improvements on the Leased Rooftop Surface and are covered by the Construction Guarantee,

Agency shall, at City's direction, take such actions as City and Agency shall reasonably determine are necessary or appropriate to realize on the guaranty provided thereunder or to protect such rights. Agency acknowledges and agrees that a pro rata share of [the Guarantor's] liability under the Construction Guarantee shall be allocated exclusively for loss or damage suffered or incurred with respect to the Leased Rooftop Surface. Such pro rata share shall be twenty-five percent (25%) of the Budgeted Development Costs for Developer's Improvements. In the event that there occurs a default by Developer covered by the Construction Guarantee and relating to the CB-1 Property or the CB-2 Property at a time before the exhaustion of the pro rata share of [the Guarantor's] liability under such guaranty allocable to the Leased Rooftop Surface, and Agency desires to realize on such guaranty with respect to such default, Agency shall place in a separate account, for purposes of curing the Developer's default or completing the construction of Developer's Improvements on the Leased Rooftop Surface, a pro rata share so of any proceeds realized from such guaranty. The pro rata share so placed in such account shall be determined on the basis of the ratio that the remaining liability of [the Guarantor] under the Construction Guarantee allocable to the Leased Rooftop Surface bears to the total remaining liability under such guarantee.

38. MISCELLANEOUS

38.1 Choice of Law. This Lease shall be governed by, interpreted in accordance with, and enforced pursuant to the internal laws of the State of California.

38.2 Successors and Assigns. Subject to the provisions of Paragraphs 15, 16 and 25 hereof, the covenants, conditions and agreements contained herein shall be binding upon and inure to the benefit of City and Agency and their respective successors and assigns.

38.3 No Joint Venture. Nothing herein contained shall be deemed to make the parties joint venturers or partners or to create any relationship of principal and agent, but rather the relationship of the parties shall be only that of landlord and tenant, and neither shall have any authority to commit or bind the other party without such other party's consent.

38.4 Interpretation. The neuter gender includes the masculine and feminine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes corporation, partnership, trust or other legal entity, public or private, whenever the context so requires. The singular number includes the plural, and the plural the

singular, whenever the context so requires. The use herein of the word "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter.

38.5 Notice of Claims. Each party shall notify the other of any claim, demand, right or cause of action asserted, threatened, or instituted against it (other than by one party against the other and other than negligence and worker's compensation matters) which may affect the CB-3 Property or this Lease or which may arise in connection with the CB-3 Property or this Lease or which involves the interpretation or performance of this Lease. Subject to the provisions of Paragraph 18.2, any negotiations or litigation with respect to any such claim, demand, right or cause of action shall be conducted by the person against which such claim, demand, right or cause of action shall be asserted, threatened or instituted, with the other party having the right to be kept reasonably advised as to the status of and to participate in such negotiations or litigation if its interests under this Lease are involved.

38.6 Interest on Amounts Payable. In the event that Agency shall fail to pay any Net Rent, Additional Rent, or any other monetary obligations owed to City hereunder on the date that such amounts are due and payable, Agency shall pay to City, in addition to such amounts, interest thereon at the rate set forth in Paragraph 3.7, provided that payments of such interest shall not be deemed to prevent the occurrence of an Event of Default for breach of the obligation to make any such payment as and when due.

38.7 Anti-Discrimination.

(a) There shall be no discrimination against or segregation of any person, or group of persons, on account of sexual orientation, sex, marital status, race, color, religion, creed, national origin or ancestry in the sublease (as permitted under this Lease), use, occupancy, tenure or enjoyment of the Leased Rooftop Surface, or any part thereof, and Agency itself (or any person claiming under or through it, including Developer), shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of subtenants or sublessees of the Leased Rooftop Surface or any part thereof (including Developer).

(b) Agency shall refrain and prevent others (including Developer) from restricting the rental, or sublease (as permitted under this Lease) of the Leased Rooftop Surface, or any portion thereof, on the basis of sexual orientation, sex, marital status, race, color, religion, creed, ancestry or national origin of any person. All such leases or contracts relating to the use or occupancy of the Leased Rooftop Surface shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(i) In leases: "The lessee herein covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators and assigns, and all persons claiming under or through it, him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of sexual orientation, sex, marital status, race, color, religion, creed, national original or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased nor shall the lessee itself, himself or herself, or any person claiming under or through it, him or her established or permit any such practice or practices of discrimination or segregation with reference to the selection, location,

number, use and occupancy, of tenants, lessees, sublessees, subtenants or vendees in the land herein leased."

(ii) In contracts: "There shall be no discrimination against or segregation of, any person, or group of persons on account of sexual orientation, sex, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself, himself or herself, or any person claiming under or through it, him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

All advertising (including signs) for rental of all or any part of the Leased Rooftop Surface shall include the legend, "An Open Occupancy Building" in type or lettering of easily legible size and design. The word "Project" or "Development" may be substituted for the word "Building" where circumstances require such substitution.

(c) The covenants set forth in Paragraph 38.7 shall also be for the benefit of the City and County of San Francisco and the United States, and enforceable against Agency's succes-

sors and assigns to or of the Leased Rooftop Surface or any part thereof or interest therein and any party in possession or occupancy of the Leased Rooftop Surface or any part thereof. Such enforcement may include the maintenance of any actions at law or suits in equity or any proper proceedings to enforce the curing of such breach of such covenants. Notwithstanding the foregoing if there is a bona fide dispute between Agency and City and/or a third party concerning the application of this Paragraph 38.7 and a judgment is entered against Agency in a judicial action or arbitration, Agency shall not be deemed in default hereunder if it promptly complies with such judgment.

38.8 Severability. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law; provided, however, that if the invalidity of such provision materially affects the benefits accruing to City, Agency or Developer under this Lease, such provision shall not be severable.

38.9 Name of Moscone Center. Neither Agency nor Developer, nor any subtenant, nor any other Occupant of the Leased

Rooftop Surface or any part thereof shall have any right, title or interest to the name "George R. Moscone Center," or any similar name or any derivative thereof, which right, title and interest shall be exclusively that of City.

38.10 Captions. The captions used herein are for convenience of reference only and are not a part of this Lease and do not in any way define, limit or amplify the terms and provisions hereof. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against City or Agency.

38.11 Time of the Essence. Except as provided for in Paragraph 31, time is of the essence with respect to the performance of each and all of the covenants, conditions and agreements of this Lease.

38.12 Entire Agreement. This instrument, the Coordination Agreement and the Easement Agreement constitute the entire agreement between City and Agency with respect to the subject matter hereof and supersedes all prior negotiations, discussions and agreements between the parties. This Lease may not be amended or modified in any respect whatsoever except by an instrument in writing signed by City and Agency.

38.13 Other Projects. City and Agency may each engage in or possess an interest in other business ventures of every nature and description, independently or with others, including but not limited to the ownership, financing, leasing, operation, management, brokerage, and development of real property, which may be adjacent to or competitive with the CB-3 Property or the Yerba Buena Gardens, and neither City nor Agency shall have any right by virtue of this Lease in or to such other business ventures or to the income or profits derived therefrom.

38.14. Consent. If consent or approval of City is required under this Lease, such consent or approval must be given by the Chief Administrative Officer of the City and County of San Francisco in the manner and within the limitations prescribed in this Lease, in addition to any consent or approval that might also be required to be given by any other agency or official of City or by the Board of Supervisors of the City and County of San Francisco. The giving of consent or approval in any one or more instances shall not be deemed to limit or excuse the need for such consent or approval in any other or subsequent instances.

IN WITNESS WHEREOF, City and Agency by their respective officers duly authorized for such purpose have executed this Lease as of the date first hereinabove written.

CITY: CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

Mayor

Clerk of Board of Supervisors

APPROVED:

Director of Property

Chief Administrative Officer

APPROVED AS TO FORM:
GEORGE AGNOST, City Attorney

By _____
Deputy City Attorney

AGENCY: THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF
SAN FRANCISCO,
a redevelopment agency and
public body existing under
the laws of the State of
California

By: _____

Its: _____

Approved as to form:

ATTORNEY FOR THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF
SAN FRANCISCO

4777.83

EXHIBITS LIST

<u>Exhibit</u>	<u>Description</u>
A	CB-3 Site Plan (See Sheets 21 and 22 of Attachment No. 4 to DDA)
A-1	Description of Leased Rooftop Surface (See Exhibit B to Agreement to Lease, Attachment No. 26B to DDA)
A-2	Description of City's Rooftop Surface (See Exhibit E to Agreement to Lease, Attachment No. 26B to DDA)
A-3	Description of Agency's Rooftop Surface (See Exhibit D to Agreement to Lease, Attachment No. 26B to DDA)
A-4	Description of Developer's Rooftop Surface (See Exhibit C to Agreement to Lease, Attachment No. 26B to DDA)
B	Easement Agreement (See Attachment No. 28 to DDA)
C	Assumed Rooftop Capacity (to be attached at time of execution of this Lease)
D	Developer Sublease for Developer's Rooftop Surface (See Attachment No. 7C to DDA)
E	Non-Disturbance and Attornment Agreement (See Exhibit F to Agreement to Lease, Attachment No. 26B to DDA)
F	Omitted Intentionally
G	Permitted Exceptions to Title
H	Omitted Intentionally
I	Storefront Criteria (to be attached at time of execution of this Lease)
J	Omitted Intentionally
K	Omitted Intentionally
L	Mitigation Measures

EXHIBIT A

CB-3 Site Plan

(See sheets 21 and 22 of Attachment No. 4 to DDA)

EXHIBIT A-1

Description by Leased Rooftop Surface

(See Exhibit B to Agreement to Lease,
Attachment No. 26B to DDA)

EXHIBIT A-2

Description of City's Rooftop Surface

(See Exhibit E to Agreement to Lease,
Attachment No. 26B to DDA)

EXHIBIT A-3

Description of Agency's Rooftop Surface

(See Exhibit D to Agreement to Lease,
Attachment No. 26B to DDA)

EXHIBIT A-4

Description of Developer's Rooftop Surface

(See Exhibit C to Agreement to Lease,
Attachment No. 26B to DDA)

EXHIBIT B

Easement Agreement

(See Attachment No. 28 to DDA)

EXHIBIT C

Assumed Rooftop Capacity

(to be attached at time of execution of this Lease)

EXHIBIT D

Developer Sublease for Developer's Rooftop Surface

(See Attachment No. 7C to DDA)

EXHIBIT E

Non-Disturbance and Attornment Agreement

(See Exhibit F to Agreement to Lease,
Attachment No. 26B to DDA)

Exhibit G

Permitted Exceptions to CB-3 Sublease

1. A lien for real property taxes not yet due and payable.
2. The effect of the Yerba Buena Center Redevelopment Project Area D-1, so called, as approved by Ordinance No. 98-66 of the Board of Supervisors of the City and County of San Francisco, dated April 29, 1966. Redevelopment Plan and Acquisition Map filed July 21, 1966, Series No. P-03937, Official Records.

Said Plan was amended (a) by Ordinance No. 201-71, adopted July 26, 1971, and recorded August 18, 1971, Instrument No. U-11274, Official Records; (b) by Ordinance No. 393-73, adopted October 9, 1973, recorded December 27, 1973, Instrument No. W-40397, Official Records; (c) by Ordinance #386-76 adopted September 13, 1976, recorded October 8, 1976, Instrument No. Z-031462, Official Records; (d) by Ordinance No. 367-77, adopted August 8, 1977, recorded November 23, 1977, Instrument No. A-48452, Official Records; (e) by Ordinance No. 420-79, adopted September 13, 1979, recorded October 16, 1979, Instrument No. C-036946, Official Records; and (f) by Ordinance No. 538-81, adopted November 2, 1981, recorded January 15, 1982, Instrument No. D-164784, Official Records.

STATUTORY STATEMENT pursuant to Health and Safety Code Section 33373, recorded July 21, 1966, in Book B 68, Page 348, Recorder's Series. No. P-03938, and recorded January 15, 1982, in Book D340 Page 714, Series No. D-164785, Official Records. Contains no express words of forfeiture.

3. The effect of the covenants, conditions, restrictions and easements contained in the Declaration of Restrictions by the Redevelopment Agency of the City and County of San Francisco, dated December 9, 1966, recorded December 13, 1966, Series No. P-30087, in Book B103 Page 210, Official Records.
(Yerba Buena Center Project Area D-1)

Contains no express words of forfeiture.

4. LEASE affecting the premises herein stated, executed by and between the parties named herein, for the term and upon the terms, covenants and conditions therein provided

Type of Lease : April 1, 1979
Dated : Redevelopment Agency of the City and County
of San Francisco, a public body, corporate

Lessee : and politic
City and County of San Francisco,
a Chartered City and County of the State of
California
Term : April 1, 1979 to October 1, 2009
Recorded : May 3, 1979 IN BOOK C771 PAGE 229, OFFICIAL
RECORDS
Instrument No.: B097810
Affects : Said land

5. ASSIGNMENT of all of the right, title and interest of the Agency to all rents, income and profits arising from the lease set out above, and all extensions and renewals thereof

Executed by : Redevelopment Agency of the City and County
of San Francisco, a public body, corporate
and politic
To : Security Pacific National Bank, as Trustee
under Resolution 119-78, as amended, adopted
June 6, 1978
Dated : April 1, 1979
Recorded : May 3, 1979 IN BOOK C771 PAGE 265, OFFICIAL
RECORDS
Instrument No. : B097811

6. The Disposition and Development Agreement recorded in the office of the County Recorder of the City and County of San Francisco on _____, as Document No. _____, including but not limited to all easements and other rights granted thereon or in any attachments thereto affecting or burdening the premises.

7. The Reciprocal Easement Agreement recorded in the office of the County Recorder of the City and County of San Francisco on _____, as Document No. _____ (if recorded prior to the conveyance of Attachment No. 7C of the DDA)

4777.57

EXHIBIT I

Storefront Criteria

(to be attached at time of execution of this Lease)

EXHIBIT L

ENVIRONMENTAL MITIGATION MEASURES

An Environmental Impact Report, a First Supplement to the Environmental Impact Report, and a Second Supplement to the Environmental Impact Report have been prepared and certified for the Yerba Buena Center and the development of the Site, including the CB-3 Property. They set forth certain mitigation measures applicable to the design, construction, operation and use of the Yerba Buena Gardens which the Developer and the Redevelopment Agency of the City and County of San Francisco agree to implement as to the construction of each of their respective improvements on the CB-3 Property. These measures are in addition to the obligations imposed under the CB-3 ARE/Retail Lease (hereinafter "Lease"); where the Lease imposes stricter requirements, the Lease prevails. The mitigation measures below which relate to construction apply only to Subsequent Construction under the Lease. The mitigation measures applicable to construction of Initial Improvements on the Premises are included in Attachment No. 22 to the DDA.

A. Land Use, Zoning and Visual Aspects

1. Tenant will place sidewalk lighting so as not to interfere with the vision of passing motorists and to avoid creating reflective glare on adjacent buildings.
2. Tenant or Landlord will provide litter pickup for the area as provided in the Lease to maintain an attractive appearance in Yerba Buena Gardens.
3. Tenant will construct temporary wooden barricades around the perimeter of construction sites where they border pedestrian routes in order to screen pedestrians from construction activities wherever possible.
4. Tenant will consult with the Commission on Aging concerning the Commission's "Gold Card" program and advise its retail subleasees of the program and encourage their use of it.

B. Community Services

1. Tenant will cause all refuse to be placed in metal dumpster containers to facilitate pick-up, and will

encourage rooms for the storage of recyclable wastes in all buildings.

C. Transportation

1. Tenant will encourage employers within Yerba Buena Gardens to implement "flex" time or staggered work hours and coordinate car and van pooling among employees.
2. Tenant shall coordinate construction activities in the Premises with construction contractors for any concurrent nearby projects which are under construction, are planned for construction or later become known, in order to minimize cumulative traffic impacts due to lane closures or street excavation, all in accordance with the CB-3 Coordination Agreement which is Attachment No. 26A to the DDA.
3. Tenant shall coordinate construction schedules to minimize disruption to the sidewalk system that would occur from simultaneous construction activity on both sides of a street and concurrent sidewalk closures or detours; the amount of pedestrian traffic generated by attendance at the Moscone Convention Center will be considered in the design of the walkways, all in

accordance with the CB-3 Coordination Agreement which is Attachment No. 26A to the DDA.; all in accordance with the CB-3 Coordination Agreement which is Attachment No. 26A to the DDA. Construction walkways will be maintained by contractors to provide adequate pedestrian safety.

4. Tenant shall provide adequate, secure and safe bicycle parking to serve Yerba Buena Gardens, its sublessees, employees and customers.
5. Tenant will encourage its contractors to direct trucks to and from the James Lick Freeway along Third and Fourth Streets during off-peak traffic periods.
6. Tenant shall provide off-street loading spaces to meet actual demand.

D. Climate and Air Quality

1. Dust generated by excavation and other construction activities shall be reduced by watering the site and covering load material in trucks.

E. Noise

1. Retail/commercial uses in areas exceeding maximum "satisfactory" noise level guidelines specified by the Transportation Noise Element of the Comprehensive Plan of San Francisco (San Francisco Department of City Planning, August 1974) will receive a detailed analysis of noise reduction requirements and have needed noise insulation features included in their design. These features may include sound-rated glass windows, air-conditioning and tight building construction.

F. Resource Use

1. Landlord and Tenant, as applicable, shall use a water-efficient form of irrigation, such as drip irrigation, wherever possible and feasible, given the landscape materials employed.
2. Tenant and Landlord, as applicable, shall recirculate the water used in all decorative fountains.
3. Tenant and Landlord, as applicable, shall use drought resistant landscape materials to reduce irrigation needs wherever feasible in Yerba Buena Gardens.

G. Ecology

1. Tenant or Landlord, as applicable, shall use vegetation native to Northern California for landscaping, to the maximum extent feasible, subject to the limitations stated in paragraph F.3 above.





ATTACHMENT NO. 28

TO
DDA

Recording Request By,
And When Recorded Mail to:

Coblentz, Cahen, McCabe & Breyer
Thirty-Fifth Floor
One Embarcadero Center
San Francisco, California 94111
Attention: Donald M. Cahen, Esq.

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RECIPROCAL EASEMENT AGREEMENT

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THIS RECIPROCAL EASEMENT AGREEMENT (the "Agreement") is made as of this _____ day of _____, 19__ by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, and a chartered city and county of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California ("City"), the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a redevelopment agency and public body, corporate and politic ("Agency"), and YBG ASSOCIATES, a California limited partnership whose sole general partners are Olympia & York California Equities Corp., a Delaware corporation, and Marriott Corporation, a Delaware corporation ("Developer").

R E C I T A L S

A. Pursuant to that certain Project Lease, dated April 1, 1979 (the "CB-3 Project Lease"), City, as lessee thereunder, has leased from Agency, as lessor thereunder, all of that certain property located in San Francisco, California, commonly known as Central Block 3 of the Yerba Buena Center Redevelopment Area and more particularly described in Exhibit A attached hereto (the "CB-3 Property"). Pursuant to the terms of the CB-3 Project Lease, City has constructed on the CB-3 Property certain buildings, improvements, convention center facilities and appurtenances consisting of a convention center structure commonly known as the George R. Moscone Convention Center (the

"Convention Center"), and service areas, public areas and accessways serving the Convention Center (together with the Convention Center being herein collectively referred to as the "Convention Center Facilities").

B. The Convention Center has been constructed substantially below the grade of the streets bordering the CB-3 Property and in such a manner that the surface area of the roof thereof (constituting an area of approximately 300,000 square feet) can accommodate the construction of certain additional improvements thereon, subject to load disbursement and other structural design and engineering constraints. The entire surface area of the roof of the Convention Center, together with an extension of such surface over the air space above certain portions of the CB-3 Property adjoining the Convention Center and situated between the Convention Center and the adjoining streets, is more particularly described on Exhibit A attached hereto and is sometimes collectively referred to herein as the "Convention Center Rooftop Surface."

C. City and Agency have entered into a Lease of even date herewith (the "Agency Lease") pursuant to which City has leased to Agency a portion of the Convention Center Rooftop Surface (the "Leased Rooftop Surface"). That portion of the Convention Rooftop Surface not leased to Agency under the City Lease ("City's Rooftop Surface") will be retained by City for

its own use and enjoyment pursuant to the terms of the CB-3 Project Lease and the Agency Lease. The location of the Leased Rooftop Surface is shown on the Site Plan attached hereto as Exhibit B (the "CB-3 Site Plan") as "Gardens", "Retail Parcels" and "ARE Parcels" and the City's Rooftop Surface is shown on the CB-3 Site Plan as "Vehicle Access Ramps to Convention Center", "Pedestrian Access to Convention Center", "Moscone Center" and "Convention Center Meeting Rooms."

D. Agency and Developer have entered into a sublease of even date herewith (the "Developer's Sublease") pursuant to which Agency has subleased to Developer a portion of the Leased Rooftop Surface ("Developer's Rooftop Surface"). That portion of the Leased Rooftop Surface not subleased to Developer under the Developer's Sublease ("Agency's Rooftop Surface") has been retained by Agency for its own use and enjoyment pursuant to the terms of the Agency Lease and the Developer's Sublease. The location of Agency's Rooftop Surface and Developer's Rooftop Surface are shown on the CB-3 Site Plan as "Gardens" (as to Agency's Rooftop Surface) and as "Retail Parcels" and "ARE Parcels" (as to Developer's Rooftop Surface).

E. Agency, City and Developer have entered into a Coordination Agreement of even date herewith pursuant to which the parties thereto agreed, among other things, to coordinate their

respective efforts in connection with the development of their respective portions of the Convention Center Rooftop Surface.

F. City, Agency and Developer now desire to grant certain easements and create certain obligations to each other to facilitate the construction, use and enjoyment of Agency's Improvements and Developer's Improvements as an integrated and compatible architectural unit together with City's Improvements, all as more particularly provided herein.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements herein contained, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 The term "Affected Party" shall have the meaning set forth in Section 2.5.

Section 1.2 The term "Agency" shall have the meaning set forth in the introductory paragraph of this Agreement.

Section 1.3 The term "Agency's Easements" shall have the meaning set forth in Section 2.1.

Section 1.4 The term "Agency's Improvements" shall mean those Improvements which Agency constructs upon the Convention Center Rooftop Surface.

Section 1.5 The term "Agency Lease" shall have the meaning set forth in Recital C.

Section 1.6 The term "Agency's Project" shall mean Agency's Rooftop Surface and Agency's Improvements.

Section 1.7 The term "Agency's Rooftop Surface" shall have the meaning set forth in Recital D.

Section 1.8 The term "Agency's Structural Improvements" shall mean those Structural Improvements which Agency constructs upon the Convention Center Rooftop Surface.

Section 1.9 The term "Agreement" shall mean this Agreement.

Section 1.10 The term "CB-3 Project Lease" shall have the meaning set forth in Recital A.

Section 1.11 The term "CB-3 Property" shall have the meaning set forth in Recital A.

Section 1.12 The term "CB-3 Site Plan" shall have the meaning set forth in Recital C.

Section 1.13 The term "City" shall have the meaning set forth in the introductory paragraph of this Agreement.

Section 1.14 The term "City's Easements" shall have the meaning set forth in Section 2.3.

Section 1.15 The term "City's Improvements" shall mean those Improvements which City constructs upon the Convention Center Rooftop Surface.

Section 1.16 The term "City's Project" shall mean City's Rooftop Surface and City's Improvements.

Section 1.17 The term "City's Rooftop Surface" shall have the meaning set forth in Recital C.

Section 1.18 The term "City's Structural Improvements" shall mean those Structural Improvements which City constructs upon the Convention Center Rooftop Surface.

Section 1.19 The term "Common Area" means the Loading Dock and such other areas available for the nonexclusive general use, convenience and benefit of the Parties and so designated as such by the Parties.

Section 1.20 The term "Construction Documents" for any Improvements to be constructed on the Convention Center Rooftop Surface shall mean the Basic Concept Drawings, the Schematic Drawings, the Preliminary Construction Documents and Final Construction Documents relating to such Improvements, as each of those terms is more particularly described in the Scope of Development (Attachment No. 5 to the DDA).

Section 1.21 The term "Convention Center" shall have the meaning set forth in Recital A.

Section 1.22 The term "Convention Center Facilities" shall have the meaning set forth in Recital A.

Section 1.23 The term "Convention Center Rooftop Surface" shall have the meaning set forth in Recital B.

Section 1.24 The term "Coordination Agreement" shall have the meaning set forth in Recital E.

Section 1.25 The term "DDA" shall mean the Disposition and Development Agreement.

Section 1.26 The term "Developer" shall have the meaning set forth in the introductory paragraph of this instrument.

Section 1.27 The term "Development Documents" shall mean: (a) the Redevelopment Plan; and (b) the Disposition and Development Agreement.

Section 1.28 The term "Developer's Easements" shall have the meaning set forth in Section 2.2.

Section 1.29 The term "Developer's Improvements" shall mean those Improvements which Developer constructs upon the Convention Center Rooftop Surface.

Section 1.30 The term "Developer's Project" shall mean Developer's Rooftop Surface and Developer's Improvements.

Section 1.31 The term "Developer's Rooftop Surface" shall have the meaning set forth in Recital D.

Section 1.32 The term "Developer's Structural Improvements" shall mean those Structural Improvements which

Developer constructs upon the Convention Center Rooftop Surface.

Section 1.33 The term "Developer's Sublease" shall have the meaning set forth in Recital D.

Section 1.34 The term "Disposition and Development Agreement" shall mean that certain Disposition and Development Agreement between Agency and Developer dated as of October, 1984.

Section 1.35 The term "Easements" shall mean City's Easements, Agency's Easements and Developer's Easements.

Section 1.36 The term "Event of Default" shall have the meaning set forth in Section 5.11(a).

Section 1.37 The term "Improvements" shall mean any buildings, outbuildings, structures or anything erected, built, placed, installed or constructed upon the Convention Center Rooftop Surface.

Section 1.38 The term "Lease" shall mean the CB-3 Project Lease, the Agency Lease or the Developer Sublease, as applicable.

Section 1.39 The term "Leased Rooftop Surface" shall have the meaning set forth in Recital C.

Section 1.40 The term "Leasehold Mortgage" shall (a) in the case of Developer, mean a "Mortgage" as defined in the Developer's Sublease; (b) in the case of the Agency, mean a mortgage of Agency's interest as sublessee under the Agency Lease which is permitted under the terms of the Agency Lease; and (c) in the case of the City, mean a mortgage of City's interest as lessee under the CB-3 Project Lease which is permitted under the terms of the CB-3 Project Lease.

Section 1.41 The term "Lender" shall mean, in the case of Developer, a "Mortgagee" as defined in the Developer's Sublease, and, in the case of Agency and City, shall mean the holder of a loan secured by a Leasehold Mortgage.

Section 1.42 The term "Loading Dock" shall have the meaning set forth Section 2.1(e).

Section 1.43 The term "Material Adverse Use" shall have, in the case of City, the meaning set forth in Section 5.6 of the Agency Lease and, in the case of Agency and Developer, the meaning set forth in Section 5.8 of the Agency Lease.

Section 1.44 The term "Material Adverse Structural Effect" shall have the meaning set forth in Section 5.6 of the Agency Lease.

Section 1.45 The term "Minor Encroachment" shall mean any encroachment of Improvements owned by a Party into Rooftop Surface of one of the Other Parties (and, in the case of City, any portion of the CB-3 Property retained by City) that: (a) does not extend a distance greater than two (2) feet horizontally into such Other Party's Rooftop Surface; (b) does not extend vertically into such Other Party's Rooftop Surface more than is reasonably necessary to serve the purpose for which the encroachment is intended and (c) in the reasonable judgment of such Other Party, does not materially interfere with the use and operation, or impair the structural or architectural integrity of such Other Party's Project.

Section 1.46. The term "Modifying Party" shall have the meaning set forth in Section 2.5.

Section 1.47 The term "Occupant" shall mean any other person or entity (other than a Party) in possession or occupancy of all or any portion of City's Project, Agency's Project or Developer's Project as permitted by the applicable provisions of the CB-3 Project Lease, the Agency Lease, or the Developer Sublease.

Section 1.48 The term "Operating Rules" shall mean published rules regarding the use or enjoyment of the CB-3 Property, or any portion thereof, signed by a duly authorized representative of each Party.

Section 1.49 The term "Other Parties" shall mean Agency and Developer when such term is used in connection with City as the Party, shall mean City and Developer when used in connection with Agency as the Party, and shall mean Agency and City when used in connection with Developer as the Party.

Section 1.50 The term "Other Portions of the Project" shall mean Agency's Project and Developer's Project when such term is used in connection with City's Project (including the Convention Center) as the Portion of the Project. It shall mean City's Project (and, in addition, the Convention Center) and Developer's Project when used in connection with Agency's Project as the Portion of the Project. It shall mean City's Project (including the Convention Center) and Agency's Project when used in connection with Developer's Project.

Section 1.51 The term "Party" shall mean City, Agency or Developer and the term "Parties" shall mean City, Agency and Developer.

Section 1.52 The term "Pedestrian Bridges" shall mean one or more pedestrian bridges connecting CB-2 and CB-3 above Howard Street, as contemplated by the Scope of Development and as described on the CB-3 Site Plan.

Section 1.53 The term "Portion of the Project" shall mean City's Project, Agency's Project or Developer's Project, as applicable.

Section 1.54 The term "Promotional Events" shall have the meaning given in Article 48 of the Developer's Sublease.

Section 1.55 The term "Project" shall mean the Improvements and the Convention Center Rooftop Surface.

Section 1.56 The term "Redevelopment Plan" shall mean the Redevelopment Plan for the Yerba Buena Center Redevelopment Project approved by the Board of Supervisors of the City and County of San Francisco by its Ordinance No. 98-66, adopted April 25, 1966, as amended through the date of the CB-3 Project Lease, in the case of the Convention Center, and as amended through the date hereof, in the case of Rooftop Project.

Section 1.57 The term "Rooftop Surface" shall mean City's Rooftop Surface, Agency's Rooftop Surface or Developer's Rooftop Surface.

Section 1.58 The term "Scope of Development" shall mean that certain document attached to the Disposition and Development Agreement as Attachment No. 5.

Section 1.59 The term "Structural Improvements" shall mean any buildings, outbuildings, or any other structures erected, built, placed, installed or constructed upon or in a Party's Project, including, without limitation, emergency exit corridors and stairs, and freight and passenger elevators located exclusively within or exclusively serving such buildings or structures, but not including such Improvements as exterior sidewalks, plazas or similar open spaces.

Section 1.60 The term "Vehicle Access Ramps" shall mean those access ramps and vehicle pathways shown on the CB-3 Site Plan as the "Vehicle Access Ramps to Convention Center."

ARTICLE II

EASEMENTS

Section 2.1 Agency's Easements. Subject to the terms and conditions of this Agreement (including the

provisions of Section 2.4), Agency shall have, and City and Developer hereby grant, easements appurtenant to Agency's Project (collectively, "Agency's Easements"), as set forth in this Section 2.1.

(a) Subjacent Support. From City only, and subject to the provisions of Section 2.5, a nonexclusive easement for the right of support and the right of user in respect of and to maintain on the City's Rooftop Surface and the other portions of the CB-3 Property retained by City the columns, supports and foundations required for the support of the Agency's Improvements on the City's Rooftop Surface and the other portions of the CB-3 Property retained by City, the columns, drains, utility lines, pits and other Improvements required in connection with such Improvements, together with the right of access to erect, maintain, repair, renew and replace such columns, supports, foundations and other facilities.

(b) Bridge Support. From City only, a nonexclusive easement to construct, maintain, repair, reconstruct, use and operate the Pedestrian Bridge(s) which connects to the City's Rooftop Surface at the point where such Bridge(s) so connects.

(c) Access. From City (and from Developer to the extent not reserved in the Developer's Sublease), a

nonexclusive easement for pedestrian ingress and egress to and from Agency's Rooftop Surface to, from and across any Pedestrian Bridges, sidewalks, plazas and other public portions of the granting Party's Rooftop Surface that are located outside the granting Party's Structural Improvements and the Convention Center; provided, however, that (i) said granting Party reserves the right to designate over which parts of the granting Party's Rooftop Surface the pedestrian access shall be given; (ii) the area designated shall at all times provide reasonable access to and from the Agency's Rooftop Surface; and (iii) the granting Party shall not deny Agency access to the Pedestrian Bridge(s) which lands upon City's Rooftop Surface. The granting Party reserves the right to close off areas of the granting Party's Rooftop Surface for such reasonable period of time as may be legally necessary to prevent the acquisition of prescriptive rights by anyone; provided, however, that before closing off any part of said granting Party's Rooftop Surface, the granting Party must give notice to Agency of its intention to do so and must coordinate its closing with the activities of Agency so that no unreasonable interference with the operation of Agency's Project occurs.

(d) Emergency Access. From City (and from Developer to the extent not reserved in the Developer's Sublease) a nonexclusive easement to utilize for emergency ingress and egress that portion of the granting Party's Rooftop Surface

located outside of the granting Party's Structural Improvements and such corridors, stairways, fire escapes and emergency accessways located inside of the Convention Center (where City is the granting Party) and the granting Party's Structural Improvements as may be designated for such purposes.

(e) Service and Delivery Vehicles. From City only a nonexclusive easement for vehicular ingress and egress for service and delivery vehicles between the loading dock located or to be located on the portion of the CB-3 Property bordering on Folsom Street generally indicated on the CB-3 Site Plan (the "Loading Dock") and Folsom Street and between the Loading Dock and Agency's Rooftop Surface, together with temporary parking at or on the Loading Dock, (i) for delivery of furniture, fixtures, supplies and other personal property to Occupants of Agency's Improvements, and (ii) in connection with the performance of construction, repair, maintenance or other services permitted or required to be undertaken by Agency pursuant to the Agency Lease.

(f) Encroachments. A nonexclusive easement for the following:

(i) The installation, use, maintenance, repair, replacement and removal of Minor Encroachments of portions of Agency's Improvements into Developer's Rooftop

Surface, City's Rooftop Surface and any other portions of the CB-3 Property retained by City as may result from engineering errors, errors in original construction or other similar cause, or as such encroachment may subsequently occur due to settlement, shifting or movement of Agency's Improvements or due to reconstruction or repair undertaken in accordance with the provisions of the Agency Lease.

(ii) The installation, use, maintenance, repair, replacement and removal of entrances, vents, marquees, canopies, lights and lighting devices, awnings, alarm bells and electrical or similar vaults into Developer's Rooftop Surface, City's Rooftop Surface or any other portion of the CB-3 Property retained by the City, provided that: (i) the structure giving rise to such encroachment is attached to Agency's Improvements and is constructed in accordance with the provisions of the Agency Lease; and (ii) the encroachment does not extend more than is reasonably necessary for the purpose for which it is constructed.

(iii) The installation, use, maintenance, repair, replacement and removal of any Improvements encroaching into Developer's Rooftop Surface, City's Rooftop Surface or any other portion of the CB-3 Property retained by the City which are shown in the Construction Documents approved by City in

accordance with the Agency Lease (as to City's Rooftop Surface and any other portions of the CB-3 Property retained by City).

(g) Utility Easements. From City (and from Developer to the extent not reserved in the Developer's Sub-lease) a nonexclusive easement across, through and under portions of the granting Party's Rooftop Surface and (where City is the granting Party) any other portion of the CB-3 Property retained by City for the installation, use, operation, maintenance, repair, replacement, relocation and removal of any reasonably necessary utility and service lines, sanitary or storm water drainage systems, water lines, telephone or other communications and electrical conduits or lines, security system lines, television cable and all other utilities required or appropriate to service Agency's Improvements; provided, however, that (i) the granting Party shall approve the location of such utilities; (ii) that granting Party shall have the right to reasonably require Agency to relocate such utilities, and (iii) the installation, use, operation, maintenance, repair, replacement, relocation and removal of all such utilities shall be at Agency's sole cost and expense. After initial installation thereof is completed, any installation, maintenance, repair, replacement, relocation and removal of such utilities that is required to be performed by Agency must be performed by Agency and then only after two weeks advance notice to the granting Party of Agency's intention to do such

work. However, in the case of an emergency, any such work may be immediately performed after such advance notice to the granting Party as is practicable under the circumstances. The granting Party shall also have the right, in the case of an emergency, to repair or replace any of Agency's utilities within the granting Party's Rooftop Surface and (where City is the granting Party) any other portion of the CB-3 Property retained by City, and charge Agency for the costs of such repair or replacement. In addition, the Agency and each granting Party agree that all such installation, maintenance, repair and removal shall be performed in a manner that causes as little disturbance to the granting Party and Agency as may be practicable under the circumstances, and any and all portions of the granting Party's Rooftop Surface or (where City is the granting Party) any other portion of the CB-3 Property retained by City which may have been damaged or otherwise disturbed as a result of such work shall be restored at the sole cost and expense of Agency to essentially the same condition as the same were in prior to the commencement of any such work.

(h) Security, Operation and Maintenance. A nonexclusive easement across and through the portion of Developer's Rooftop Surface located outside of Developer's Structural Improvements, the portion of City's Rooftop Surface located outside of City's Structural Improvements and any other portion of the CB-3 Property retained by City, for use in the

performance of the security, operation, repair and maintenance obligations of Agency pursuant to the provisions of the Agency Lease.

(i) Construction and Repairs. A nonexclusive easement across any public areas of the Convention Center Facilities, City's Rooftop Surface located outside of the City's Structural Improvements, Developer's Rooftop Surface located outside of Developer's Structural Improvements and any other portion of the CB-3 Property retained by City as is reasonably necessary for the entry of workers, materials and equipment to conduct the construction of Agency's Improvements or any repair, restoration or maintenance work with respect thereto in accordance with the provisions of the Agency Lease and the Coordination Agreement.

(j) Miscellaneous Easements. Nonexclusive easements consisting of the following:

(i) A nonexclusive easement permitting the occurrence on Developer's Rooftop Surface, City's Rooftop Surface and any other portion of the CB-3 Property retained by the City such unavoidable and reasonable dust, dirt, construction noise, visual obstructions or construction barricades which might temporarily interfere with the operation of the City Project arising out of any future construction to be

carried out on Agency's Rooftop Surface and permitted by the Agency Lease.

(ii) all easements benefiting Agency shown on the site Plan and not otherwise granted herein.

(iii) A nonexclusive easement for the attachment and support of vents and ducts, if any, serving Agency's Improvements, to and on vents and ducts of City and Developer and to use same, and for maintenance and repair thereof; provided, however, that (i) the manner of attachment shall be designated in accordance with good construction practice in the manner customary for Improvements of such type and so as not to impose an unreasonable load on City's or Developer's vents and ducts; and (ii) the attachment of such vents and ducts shall be at Agency's sole expense.

(k) Doors and Exits. From City only, a nonexclusive easement for the opening onto City's Rooftop Surface of doors and other exits, if any, from Agency's Improvements, provided that such doors and exits have been approved in accordance with the standards and limitations of the Agency Lease.

(l) Service Vehicles. From City only, a nonexclusive easement to use for vehicular ingress and egress the Vehicle Access Ramps.

Section 2.2 Developer's Easements. Subject to the terms and conditions of this Agreement (including the provisions of Section 2.4), Developer shall have, and Agency and City hereby grant, easements appurtenant to Developer's Project (collectively, "Developer's Easements"), set forth in this Section 2.2.

(a) Subjacent Support. Subject to the provisions of Section 2.5, a nonexclusive easement for the right of support and the right of use in respect of and to maintain on the Agency's Rooftop Surface, City's Rooftop Surface and the other portions of the CB-3 Property retained by City, the columns, supports and foundations required for the support of Developer's Improvements on Agency's Rooftop Surface, City's Rooftop Surface and the other portions of the CB-3 Property retained by City, the columns, drains, utility lines, pits and other Improvements required in connection with such Improvements, together with the right of access to erect, maintain, repair, renew and replace such columns, supports, foundations and other facilities.

(b) Access. From City (and from Agency to the extent not granted in the Developer's Sublease), a nonexclusive easement for pedestrian ingress and egress to and from Developer's Rooftop Surface to and from and across any Pedestrian Bridges, Rooftop Access Stairway, sidewalks, plazas and other

public portions of the granting Party's Rooftop Surface that are located outside the granting Party's Structural Improvements and the Convention Center; provided, however, that (i) said granting Party reserves the right to designate over which parts of the granting Party's Rooftop Surface the pedestrian access shall be given; (ii) the area designated shall at all times provide reasonable access to Developer; and (iii) the granting Party shall not deny Developer access to the Pedestrian Bridge(s) which lands upon the City's Rooftop Surface. The granting Party reserves the right to close off areas of the granting Party's Rooftop Surface for such reasonable period of time as may be legally necessary to prevent the acquisition of prescriptive rights by anyone; provided, however, that before closing off any part of the granting Party's Rooftop Surface, the granting Party must give notice to Developer of its intention to do so and must coordinate its closing with the activities of Developer so that no unreasonable interference with the operations of Developer's Project occurs.

(c) Emergency Access. From City (and from Agency to the extent not granted in the Developer's Sublease), a nonexclusive easement to utilize for emergency ingress and egress that portion of the granting Party's Rooftop Surface located outside of the granting Party's Structural Improvements and such corridors, stairways, fire escapes and emergency accessways located inside of the Convention Center and granting

Party's Structural Improvements as may be designated for such purposes.

(d) Service and Delivery Vehicles. A nonexclusive easement for vehicular ingress and egress for service and delivery vehicles between the Loading Dock and Folsom Street (from City only), and between the Loading Dock and Developer's Rooftop Surface (from City and Agency), together with temporary parking at or on the Loading Dock (from City only), (i) for delivery of furniture, fixtures, supplies and other personal property to Occupants of Developer's Improvements, and (ii) in connection with the performance of construction, repair, maintenance or other service permitted or required to be undertaken by Developer pursuant to the Agency Lease and the Developer Sublease.

(e) Encroachments. Nonexclusive easements for the following:

(i) The installation, use, maintenance, repair, replacement and removal of Minor Encroachments of portions of Developer's Improvements into Agency's Rooftop Surface, City's Rooftop Surface and any other portions of the CB-3 Property retained by City as may result from engineering errors, errors in original construction or other similar cause, or as such encroachment may subsequently occur due to

settlement, shifting or movement of Developer's Improvements or due to reconstruction or repair undertaken in accordance with the provisions of the Developer's Sublease.

(ii) The installation, use, maintenance, repair, replacement and removal of entrances, vents, marquees, canopies, lights and lighting devices, awnings, alarm bells, wing walls, electrical or similar vaults, roof flashings, roof and building overhangs onto Agency's Rooftop Surface, City's Rooftop Surface or the other portion of the CB-3 Property retained by the City, provided that: (i) the structure giving rise to such encroachment is attached to Agency's Improvements and is constructed in accordance with the provisions of the Developer Sublease; and (ii) the encroachment does not extend more than is reasonably necessary for the purpose for which it is constructed.

(iii) The installation, use, maintenance, repair, replacement and removal of any Improvements encroaching into Agency's Rooftop Surface, City's Rooftop Surface or any other portion of the CB-3 Property, retained by the City as set forth in the Construction Documents approved by Agency in accordance with the Agency Lease.

(f) Utility Easements. From City (and from Agency to the extent not granted in the Developer's Sublease),

a nonexclusive easement across, under and through portions of the granting Party's Rooftop Surface and (where City is the granting Party) any other portion of the CB-3 Property retained by City for the installation or relocation of any reasonably necessary utility and service lines, sanitary or storm water drainage systems, water lines, telephone or other communications and electrical conduits or lines, security system lines, television cable and all other utilities required or appropriate to service the Developer's Improvements; provided, however, that (i) the granting Party shall approve the location of such utilities; (ii) the granting Party shall have the right to reasonably require Developer to relocate such utilities; and (iii) the installation, use, operation, maintenance, repair, replacement, relocation, and removal of all such utilities shall be at Developer's sole cost and expense. After initial installation thereof is completed, any installation, maintenance, repair, replacement, relocation and removal of such utilities that is required to be performed by Developer must be performed by Developer and then only after two weeks advance notice to the granting Party of Developer's intention to do such work. However, in the case of an emergency, any such work may be immediately performed after such advance notice to the granting Party as is practicable under the circumstances. The granting Party shall also have the right, in the case of an emergency, to repair or replace any of Developer's utilities within such granting Party's Rooftop Surface or any other

portion of the CB-3 Property retained by City, and charge Developer for the costs of such repair or replacement. In addition, the Developer and each granting Party agree that all such installation, maintenance, repair and removal shall be performed in a manner that causes as little disturbance to Developer and said granting Party as may be practicable under the circumstances, and any and all portions of the granting Party's Project or (where City is the granting Party) any other portion of the CB-3 Property retained by which may have been damaged or otherwise disturbed as a result of such work shall be restored at the sole cost and expense of Developer to essentially the same condition as the same were in prior to the commencement of any such work.

(g) Security, Operation and Maintenance. A nonexclusive easement across and through the portion of Agency's Rooftop Surface located outside of Agency's Structural Improvements, the portion of City's Rooftop Surface located outside of City's Structural Improvements and any other portion of the CB-3 Property retained by City, for use in the performance of the security, operation and maintenance obligations of Developer under the applicable provisions of the Developer Sublease.

(h) Construction and Repairs. A non-exclusive easement across Agency's Rooftop Surface located outside

Agency's Structural Improvements, City's Rooftop Surface located outside of City's Structural Improvements, any public areas of the Convention Center Facilities, and any portion of the CB-3 Property retained by City as is reasonably necessary for the entry of workers, materials and equipment to conduct the construction of Developer's Improvements or any repair or maintenance work with respect thereto in accordance with the applicable provisions of the Developer's Sublease and the provisions of the Coordination Agreement.

(i) Miscellaneous Easements. Nonexclusive easements consisting of the following:

(i) A nonexclusive easement permitting the occurrence on the Agency's Rooftop Surface, City's Rooftop Surface or other portions of the CB-3 Property retained by the City of such unavoidable and reasonable dust, dirt, construction noise, visual obstructions or construction barricades which might temporarily interfere with the operation of the City Project arising out of any future construction to be carried out on Developer's Rooftop Surface and permitted by the Developer's Sublease.

(ii) All easements benefiting Developer which are shown on the Site Plan and not otherwise granted herein.

(iii) A nonexclusive easement for the attachment and support of vents and ducts, if any, serving Developer's Improvements to and on vents and ducts of City and Agency and to use same, and for maintenance and repair thereof, if any; provided, however, that (i) the manner of attachment shall be designated in accordance with good construction practice in the manner customary for Improvements of such type and so as not to impose an unreasonable load on City's and Agency's vents and ducts; and (ii) the attachment of such vents and ducts shall be at Developer's sole expense.

(j) Doors and Exits. A non-exclusive easement for the opening onto City's Rooftop Surface and Agency's Rooftop Surface of doors and other exits from Developer's Improvements which have been approved in accordance with the DDA.

(k) Service Vehicles. From City only, a non-exclusive easement to use for emergency purposes the Vehicle Access Ramps.

Section 2.3 City's Easements. Subject to the terms and conditions of this Agreement (including the provisions of Section 2.4) City shall have, and Agency and Developer hereby grant, easements appurtenant to City's Project (collectively, "City's Easement"), as set forth in this Section 2.3.

(a) Access. A nonexclusive easement for pedestrian ingress and egress to and from all portions of the Convention Center Facilities and City's Project to and from and across any Pedestrian Bridges, Rooftop Access Stairway, and other public portions of Agency's Rooftop Surface and Developer's Rooftop Surface that are located outside of Agency's Structural Improvements and Developer's Structural Improvements; provided, however, that (i) Agency and Developer reserve the right to designate over which parts of their respective Rooftop Surfaces the pedestrian access shall be given; and (ii) that Agency shall not deny City access to the Bridge which lands upon Agency's Rooftop Surface Agency. Developer and Agency reserve the right to close off areas of their respective Rooftop Surfaces for such reasonable period of time as may be legally necessary to prevent the acquisition of prescriptive rights by anyone; provided, however, that before closing off any part of their respective Rooftop Surfaces, Agency and Developer must give notice to City of their intention to do so and must coordinate such closing with the activities of City so that no unreasonable interference with the operation of City occurs.

(b) Emergency Access. A nonexclusive easement to utilize for emergency ingress and egress that portion of Agency's Rooftop Surface and Developer's Rooftop Surface located outside of Agency's Structural Improvements and Developer's

Structural Improvements and such corridors, stairways, fire escapes and emergency accessways located inside of Agency's Structural Improvements and Developer's Structural Improvements as may be designated for such purposes.

(c) Encroachments. Nonexclusive easements for the following:

(i) the installation, use, maintenance, repair, replacement and removal of Minor Encroachment of portions of City's Improvements into Agency's Rooftop Surface and Developer's Rooftop Surface as may result from engineering errors, errors in original construction or other similar cause, or as such encroachment may subsequently occur due to settlement, shifting or movement of Agency's Improvements or due to reconstruction or repair undertaken in accordance with the provisions of the Agency Lease.

(ii) The installation, use, maintenance, repair, replacement and removal of entrances, vents, marquees, canopies, lights and lighting devices, awnings, alarm bells, wing walls, electrical or similar vaults, roof flashings, roof and building overhangs into Agency's Rooftop Surface and Developer's Rooftop Surface, provided that: (i) the structure giving rise to such encroachment is attached to City's Improvements and is constructed in accordance with the provisions of

the Agency Lease; and (ii) the encroachment does not extend more than is reasonably necessary for the purpose for which it is constructed.

(iii) The installation, use, maintenance, repair, replacement and removal of any Improvements encroaching into Agency's Rooftop Surface and Developer's Rooftop Surface which are shown on the Construction Documents approved by Agency in accordance with the Agency Lease.

(d) Utility Easements. A nonexclusive easement across and through portions of Agency's Rooftop Surface and Developer's Rooftop Surface for the installation, use, operation, maintenance, repair, replacement, relocation and removal of any reasonably necessary utility and service lines, sanitary or storm water drainage systems, water lines, telephone or other communications and electrical conduits or lines, security system lines, television cable and all other utilities required or appropriate to service the Convention Center or City's Project; provided, however, that (i) the granting Party shall approve the location of such utilities on said granting Party's property; (ii) the Party upon whose property such utilities are located shall have the right to reasonably require City to relocate such utilities, at City's sole cost and expense. After initial installation thereof is completed, any installation, maintenance, repair, replacement relocation and removal

of such utilities that is required to be performed by City must be performed by City and then only after two weeks advance notice to the Party upon whose property such utilities are located of City's intention to do such work. However, in the case of an emergency, any such work may be immediately performed after such advance notice to the Party upon whose property such utilities are located as is practicable under the circumstances. The Party upon whose property such utilities are located shall also have the right, in the case of an emergency, to repair or replace any of City's utilities within such Party's property, and charge City for the costs of such repair or replacement. In addition, the Parties agree that all such installation, maintenance, repair and removal shall be performed in a manner that causes as little disturbances to the Parties as may be practicable under the circumstances, and any and all portions of the Agency's Project or Developer's Project which may have been damaged or otherwise disturbed as a result of such work shall be restored at the sole cost and expense of City to essentially the same condition as the same were in prior to the commencement of any such work.

(e) Construction and Repairs. A nonexclusive easement across the portions of Agency's Rooftop Surface and Developer's Rooftop Surface located outside of Agency's Structural Improvements and Developer's Structural Improvements as is reasonably necessary for the entry of workers, materials and

equipment to conduct the construction of City's Improvements or any repair or maintenance work with respect to such Improvements, on City's Rooftop Surface, or in the Convention Center or any other portion of the Convention Center Facilities in accordance with the applicable provisions of the Agency Lease and the Coordination Agreement.

(f) Vents and Ducts. A nonexclusive easement for the discharge of gases from vents and ducts serving the Convention Center Facilities and City's Improvements; provided, however, that (i) the Party upon whose property such vents and ducts are located shall approve the location of such vents and ducts and such vents and ducts shall not interfere with said Party's Improvements and (ii) that the Party upon whose property such vents and ducts are located shall have the right to reasonably require City to relocate such vents and ducts at City's sole cost and expense, subject to City's right to reject such relocation as set forth in the Agency Lease. After initial installation thereof is completed, any installation, maintenance, repair, replacement, relocation and removal of such vents and ducts that is required to be performed by City must be performed by City and then only after two weeks advance notice to the Party upon whose property such vents and ducts are located of City's intention to do such work. However, in the case of an emergency, any such work may be immediately performed after such advance notice to the Party upon whose

property such vents and ducts are located as is practicable under the circumstances. The Party upon whose property such vents and ducts are located shall also have the right, in the case of an emergency, to repair or replace any of City's vents and ducts within the said Party's property, and charge City for the costs of such repair or replacement. In addition, the Parties agree that all such installation, maintenance, repair and removal shall be performed in a manner that causes as little disturbance to the Parties as may be practicable under the circumstances, and any and all portions of the Agency's Project or Developer's Project which may have been damaged or otherwise disturbed as a result of such work shall be restored at the sole cost and expense of City to essentially the same condition as the same were in prior to the commencement of any such work.

(g) Miscellaneous Easements. Nonexclusive easements consisting of the following:

(i) A nonexclusive easement permitting the occurrence on the Agency Rooftop Surface and the Developer's Rooftop Surface of such unavoidable and reasonable dust, dirt, construction noise, visual obstructions or construction barricades which might temporarily interfere with the operation of the Agency Project and the Developer Project arising out of any

future construction to be carried out on City's Rooftop Surface and permitted by the DDA, any Lease, or this Agreement.

(ii) All easements shown on the Site Plan benefitting City and not otherwise granted herein.

(h) Doors and Exits. From Agency only, a nonexclusive easement for the opening onto Agency's Rooftop Surface of doors and other exits from City's Improvements, provided that such doors and exits have been approved by Agency in accordance with the provisions of the Agency Lease.

Section 2.4 General Provisions Regarding Easements.

(a) Easements Appurtenant. Subject to the provisions of Section 5.1 relating to termination or amendment of this Agreement, the Easements shall in each instance be effective and continuous for the term specified in Section 5.1, appurtenant to Agency's Project (in the case of Agency's Easements), to Developer's Project (in the case of Developer's Easements), or to City's Project (in the case of City's Easements) and shall be used solely for the purposes of developing, occupying, using, maintaining, operating, repairing, securing and restoring their respective properties pursuant to and in accordance with the requirements of the Agency Lease and, in

the case of Developer, such additional requirements as may be imposed by the Developer's Sublease.

(b) Operating Rules. The Parties may, from time to time, adopt reasonable Operating Rules with regard to the location of access and the time, manner and scope of use of any Easements.

(c) Maintenance. Except as the Parties may have otherwise agreed pursuant to the provisions of this Agreement, each Party shall be responsible for the maintenance and repair of any and all Improvements within their respective portions of the CB-3 Property over or within which any Easement is located. Except as the Parties may have otherwise agreed pursuant to the provisions of the Agency Lease, the Developer's Sublease or this Agreement, and except with respect to Common Areas, if any, all costs of maintenance and repair shall be borne by the Party responsible for such maintenance and repair. Except as the Parties may have otherwise agreed pursuant to the provisions of the Agency Lease and the Developer's Sublease, all costs of maintenance and repair of Common Areas, if any, shall be equitably allocated among the Parties based upon their respective use of the Common Areas. Any dispute as to such allocations shall be submitted to arbitration as provided in Article 5.5 hereof.

(d) No Unreasonable Interference. No Party shall enter into any agreement, make any conveyance or transfer of any interest in all or any portion of its respective property interests in the CB-3 Property or do or suffer any other act or permit any condition which would unreasonably interfere with the use and enjoyment of any of the Easements or the Projects of the Other Parties as provided for in this Agreement.

(e) Limitations On Account of Construction or Restoration. The Easements granted under this Agreement shall be subject to standards for construction work in accordance with the applicable provisions of the Agency Lease and the DDA (in the case of work performed by Developer or Agency) and in accordance with the applicable provisions of the Agency Lease (in the case of work performed by City). In the event that all or any part of a Portion of the Project is damaged and a Party is required under the applicable provisions of the Agency Lease (in the case of damage to Agency's Improvements or Developer's Improvements), the applicable provisions of the Developer's Sublease (in the case of damage to Developer's Improvements), or the applicable provisions of the Agency Lease (in the case of damage to City's Improvements) to restore or cause to be restored such Portion of the Project, the Parties each agree and acknowledge that the Easements shall be modified if necessary to conform to the Rooftop Project as so restored.

(f) Primary Responsibility. Each Party shall be responsible for the performance by any Occupant in possession under such Party, without cost or expense to the Other Party or any Occupants in possession under such Other Party, of all obligations with respect to the Easements and other rights granted hereunder for the benefit of the Other Party and the Occupants in possession under such Other Party. In the event of any default by any Occupant, the Party under whom such Occupant is in possession shall promptly enforce such obligation or cure such default.

(g) Further Definition of Easements. As the construction and development of the Rooftop Project proceeds, and from time to time upon any changes in the Easements granted hereunder as provided for in this Agreement, the Parties each agree to cooperate fully in executing and recording such maps and drawings as are mutually determined to be necessary or desirable to establish or define the location of the Easements or to show any changes or modifications thereto. Approval of Construction Documents by Agency or City, where applicable, which show the location of any Easements, shall be deemed to constitute approval by Agency or City, if applicable, of the location of such Easements when such approval is given in accordance with the provisions of the DDA (in the case of Developer's Construction Documents) or the Agency Lease (in the case of City's Construction Documents). The cost of preparing

and recording such maps and drawings shall be paid by the Party for whose benefit the documents are prepared, or by all Parties if such maps and drawings are prepared for the benefit of all Parties.

(h) No Merger. The Easements herein created and the covenants herein described shall not be extinguished by merger of any or all of the ownership or leasehold interest in any one Party.

Section 2.5 Limitations on Easements. Subject to the provisions of the Agency Lease, each Party agrees that said Party's use of its Easements shall not constitute a Material Adverse Use and Agency and Developer agree that their use of their respective Easements shall not constitute a Material Adverse Structural Effect.

ARTICLE III

POST-CONSTRUCTION ACTIVITIES

Section 3.1 Operating Policies and Procedures. Each Party shall, prior to the opening to the public of its improvements on the CB-3 Property, deliver to the Other Parties a statement in reasonable detail of the operating policies and procedures for such improvements and any written public rules and regulations pertaining thereto. Each Party agrees to

provide the Other Parties with reasonable prior notice of any significant change in the adopted operating policies or procedures affecting such Other Parties' improvements on the CB-3 Property, including without limitation changes in operating hours, changes in uses that could reasonably be expected to materially increase or decrease the number of persons using or occupying such improvements or the times of such use, changes in any public rules or regulations adopted for the tenants or users of any improvements, and changes in or alterations of any improvements that could reasonably be expected to create any temporary or permanent restrictions or limitations on the location or means of ingress or egress to and from such improvements, the Convention Center, or any other improvements on the CB-3 Property.

Section 3.2 Operating Covenants. Each Party shall use its best efforts:

(a) to coordinate pedestrian and vehicular traffic control efforts to facilitate access to the Convention Center and all improvements on the CB-3 Property;

(b) to maintain with respect to the areas of its improvements, if feasible, sufficient space for clearly indicated waiting line areas on the Convention Center Rooftop Surface in reasonable proximity to the improvements serving

persons in such waiting lines, without the need to disburse overflow pedestrian traffic onto the sidewalk area on Howard Street in front of the Convention Center;

(c) to coordinate deliveries and freight loading/unloading to minimize reasonably avoidable interference with the users of the Convention Center and any other improvements on the CB-3 Property;

(d) to coordinate security systems for the CB-3 Property and surrounding sidewalk areas to avoid unnecessary overlap and duplication of effort;

(e) not unreasonably to block or impede the free movement of pedestrian traffic to and from the CB-3 Property, whether by way of a Pedestrian Bridge or otherwise, or between the Convention Center Rooftop Surface and the sidewalk area in front of the Convention Center, or among the various improvements on the rooftop surface of the CB-3 Property; and

(f) to operate its respective improvements for the purposes for which they were designed in accordance with the Developer Sublease and in a first-class manner that will enhance the reputation and attractiveness of the CB-3 Property.

Section 3.3. Noninterference with Circulation. So as not to interfere with efficient pedestrian traffic flow between any Party's Structural Improvements and all other areas in the Project, there shall be no selling activities conducted outside the physical limits of the Structural Improvements constructed on the Project, other than outdoor selling in connection with Promotional Events and which shall not unreasonably interfere with the flow of traffic within the Project.

Section 3.4 Security, Operation and Maintenance Responsibilities. City, Agency, and Developer agree to provide security services together with all maintenance services, including landscaping, trash, restroom and janitorial services for their respective portions of the Convention Center Rooftop Surface as provided in the Agency Lease or Developer Lease.

Section 3.5 Insurance of Improvements. During the terms of this Agreement, each Party shall carry such extended Coverage and Liability Insurance on its Improvements as such Party is required to carry on its Improvements pursuant to the provisions of the Agency Lease or the Developer's Sublease, as applicable, and shall otherwise comply with the terms and conditions respecting such insurance as are set forth in the Agency Lease or the Developer's Sublease, as applicable.

Section 3.6. Possessory Interest Tax. Each Party understands that under certain conditions the grant of easements to a Party may give rise to the imposition of a possessory interest tax with respect to said easements and in such event the Party receiving the grant of such easements agrees to pay when due any such possessory interest tax.

Section 3.7. Closure of Agency's Project. Agency shall have the right to close off any or all portions of the Agency's Project at any time if funds are not available in the Separate Account for security, operations and maintenance of such portion of the Agency's Project, and if such closure is accomplished with barricades which are aesthetically compatible with the rest of the Project (subject to and in accordance with the applicable provisions of the Developer's Sublease).

ARTICLE IV

COVENANTS AND RECORDATION

Section 4.1 Covenants Run with the Land. Subject to the provisions of Sections 4.2 and 5.15:

(a) all of the provisions, declarations, rights, powers, covenants, conditions, restrictions, easements and obligations contained in this Agreement shall be binding upon and inure to the benefit of each Party, their respective

heirs, successors (by merger, consolidation or otherwise) and assignees, devisees, administrators, representatives, lessees, and all other persons acquiring Agency's Project, City's Project or Developer's Project or any portion thereof or interest therein, whether by operation of law or in any manner whatsoever, unless and until modified as herein provided;

(b) all of the provisions of this Agreement shall be covenants running with the land pursuant to applicable law, including but not limited to Section 1355 and Section 1468 of the California Civil Code; and

(c) each covenant to do or refrain from doing some act on a Portion of the Project or any part thereof provided for in this Agreement, (i) is a burden upon such Portion of the Project and is for the benefit of the Other Portions of the Project, (ii) runs with such Other Portions of the Project, and (iii) shall benefit or be binding upon each successive owner of a portion of the Project during its ownership of all such Other Portions of the Project, or any part thereof or interest therein, and each person having any interest therein derived in any manner through any owner of any of such Other Portions of the Project, or any part thereof.

Section 4.2 Limitation on Persons Who Can Enforce.
Notwithstanding the provisions of Section 4.1, the Parties each

hereby acknowledge and agree that, except as provided below in Section 5.8, no Occupant, or any other person or entity except a Party shall have the right to enforce any Easements or other rights or interests created under this Agreement; provided, however, that if any person or entity succeeds to a Party's entire interest in a Portion of the Project in accordance with the applicable provisions of the CB-3 Project Lease, the City Lease, the Developer's Sublease and this Agreement, then such person or entity shall be entitled to enforce such Easements, rights and interests.

Section 4.3 Recordation. This Agreement shall become effective and binding in accordance with the provisions of this Article IV upon recordation hereof in the Official Records of the City and County of San Francisco, California.

ARTICLE V

MISCELLANEOUS

Section 5.1 Termination and Amendment.

(a) Term. This Agreement and all of the Easements: shall automatically, and without any action taken by any Party, terminate upon the expiration of the stated term of both the Agency Lease and the Developer's Sublease; provided, however, that this Agreement shall terminate on such earlier

date as may be required in order that this Agreement will not be invalidated or be subject to invalidation by reason of a limitation imposed by law on the duration hereof.

(b) Amendment. Except as otherwise specified herein, and subject to the provisions of Section 5.8(a), this Agreement may be terminated, cancelled, changed, modified or amended in whole or in part only by a written instrument executed by the Parties, which instrument shall be effective when recorded in the Official Records of the City and County of San Francisco, California.

Section 5.2 No Waiver.

(a) No failure by a Party to insist upon the strict performance of any obligation created hereunder or to exercise any right, power or remedy available upon a breach thereof, shall constitute a waiver of any such breach or of such term, covenant or condition, and all waivers shall be in writing and signed by the persons or entities against whom such waiver is sought to be enforced. No waiver of any term, covenant or condition for the benefit of Agency's Easements or Developer's Easements shall be valid unless waived by both Agency and Developer.

(b) No waiver of any breach shall affect or alter this Agreement, but each and every term, covenant and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. The consent of a Party given in any instance under the terms of this Agreement shall not relieve the Other Parties of any obligation to secure any consent in any other or future instance under the terms of this Agreement.

Section 5.3 Estoppel Certificates. Each Party, at any time and from time to time upon not less than ten (10) days' prior written notice from either of the Other Parties, shall execute, acknowledge and deliver to the requesting Party and, upon demand from the requesting Party, to any Lender or prospective Lender, or to any prospective assignee, sublessee or purchaser of any part of or interest in the CB-3 Property, a certificate of such Party stating: (a) that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications); (b) to the best of such Party's knowledge, whether or not there are then existing any defenses against the enforcement of any of the obligations of such Party under this Agreement (and, if so, specifying same); (c) to the best of such Party's knowledge, whether or not there are then existing any defaults by the requesting Party in the performance of its obligations under this

Agreement (and, if so, specifying same); and (d) any other information that may reasonably be required by any of such persons. It is intended that any such certificate delivered pursuant to this Section 5.3 may be relied upon by the requesting Party, any Lender or prospective Lender, and any prospective assignee, purchaser, ground or underlying lessor of all or any part of the CB-3 Property.

Section 5.4 Indemnity.

(a) Obligation. Each Party shall indemnify and hold the Other Parties harmless from and against any and all loss, cost, liability, damage and expense of any nature whatsoever, including, without limitation, reasonable attorneys' fees and costs and any damage, loss or injury of any nature whatsoever to the Other Parties' portion of the Rooftop Project (which in the case where City is the indemnitee shall include, in addition, the Convention Center), incurred in any manner in connection with or arising from any use by, through or under such Party (or their respective agents, employees, officers, directors, contractors or invitees) of the Easements granted hereunder for the benefit of such Party; provided, however, that no Party shall be required to indemnify either of the Other Parties against any loss, cost, liability, damage or expense arising from the active negligence or willful misconduct of such Other Parties, their agents, officers, contractors

or employees (provided that no employee or officer of the Agency shall be deemed to be an employee or officer of the City solely because Agency may be a political subdivision or political entity of the City and County of San Francisco).

(b) Survival. The obligation of a Party to indemnify and hold the Other Parties harmless under this Agreement shall survive the expiration of the term hereof or any earlier termination of this Agreement; but shall be limited to the amount of the liability resulting from said obligation which accrues prior to such termination.

(c) Defense of Action. In case any action or proceeding is brought against the Other Parties by reason of any claim against which a Party is obligated to indemnify the Other Parties under this Section 5.4, such Party upon written notice from either of such Other Parties shall at such Party's expense resist or defend such action or proceeding by counsel approved by such requesting Other Party in writing, which approval shall not be unreasonably withheld.

Section 5.5 Arbitration. The Parties shall be required to arbitrate any dispute or controversy arising under or in respect of this Agreement only if the provisions of this Agreement expressly require or permit arbitration to be initiated to resolve such dispute or controversy. In the event of

any arbitration pursuant to this Agreement, the arbitration shall be conducted in the City and County of San Francisco, California, by three (3) arbitrators to be appointed pursuant to and in accordance with the Rules of Commercial Arbitration of the American Arbitration Association then in effect. This agreement to arbitrate shall be self-executing. The arbitrators shall have no power to modify or enforce any provisions of this Agreement and their jurisdiction is limited accordingly. The expenses of arbitration shall be borne equally by the parties, provided that each party shall be responsible for the fees and expenses of its own experts, evidence and attorneys. Subject to the further provisions of this Section 5.5, any such arbitration shall be advisory as to the City if within five (5) business days of receipt of notice to the City of the referral of any dispute hereunder to arbitration the City Attorney shall in good faith render a legal opinion to the effect that with respect to the dispute in question the City cannot lawfully submit to binding arbitration as provided herein and shall deliver a copy thereof to Agency and Developer; provided, however, that the Agency and Developer reserve the right to file and prosecute any legal proceeding to determine the issue of whether the City can lawfully submit to binding arbitration with respect to the matter in question and, if it is determined that it can, the City agrees to submit to such arbitration; and provided, further, that the time for performance of any act by Agency and/or Developer, as the case may be, which is part of

the matter in question, shall be extended pending the conclusion of such litigation, if, but only if, the subject of the arbitration in question pertains to an act which cannot reasonably be performed pending the conclusion of such litigation, and such litigation is filed in good faith and diligently pursued to conclusion.

Section 5.6 Attorneys' Fees. In the event of any action or proceeding at law or in equity between the Parties to enforce any provision of this Agreement or to protect or establish any right or remedy of a Party, or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, then the unsuccessful Party or Parties to such litigation or the Party or Parties not prevailing in such dispute, as applicable, shall pay to the successful or prevailing Party or Parties all costs and expenses, including reasonable attorneys' fees and costs, incurred therein by such Party or Parties, and if such prevailing Party or Parties shall recover judgment in any action or proceeding, such costs, expenses and attorneys' fees shall be included in and as a part of such judgment.

Section 5.7 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the CB-3 Property to the general public, for the general public or for any public use or purpose whatsoever, it

being the intention and understanding of the Parties that this Agreement shall be strictly limited to and for the purposes expressed in the Development Documents, the CB-3 Project Lease, the Agency Lease and the Developer Sublease for the development, maintenance, operation, repair and restoration of the CB-3 Property solely for the benefit of the Parties. Pursuant to the provisions of this Section 5.7, and notwithstanding any other provision to the contrary herein contained, any Party shall have the right to restrict public access as reasonably necessary to prevent public dedication.

Section 5.8 Lender Protections. During the continuance of any Leasehold Mortgage until such time as the lien thereof has been extinguished, and if written notice of the name and address of the owner and holder thereof shall have been delivered to the Other Parties, the provisions of Section 5.8 shall apply.

(a) The Parties shall not agree to any mutual termination nor accept any surrender of this Agreement or of any Easements created hereunder (except upon the expiration of the term of this Agreement and of the Easements created hereunder as provided for in Section 5.1(a)) nor shall the Parties consent to any amendment or modification of this Agreement or of any Easements created hereunder, without the prior written consent of all Lenders where the terms of the loan which the

Leasehold Mortgage secures requires such consent, which consent shall not be unreasonably withheld.

(b) The Lender under any Leasehold Mortgage affecting the Project of any Party shall be entitled to receive notice of any default by any Party, provided that such Lender shall have delivered a copy of a notice in the form hereinafter contained to all Parties. The form of such notice shall be as follows:

The undersigned, whose address is _____ does hereby certify that it is the Lender, as defined in Section 1.41 of the Reciprocal Easement Agreement of _____'s interest in certain property the legal description of which is attached hereto as Exhibit A and made a part hereof by this reference (the "Property"). In the event that any notice shall be given of the default of any Party to the Reciprocal Easement Agreement, a copy thereof shall be delivered to the undersigned. In the event the Party in default, as specified in such notice, is _____, then the undersigned shall have all rights of such Party to cure such default. Failure to deliver a copy of such notice to the undersigned shall in no way affect the validity of the notice of default as it respects any Party, but shall make the same invalid as it respects the interest of the undersigned and its Leasehold Mortgage upon said Property.

Any notice to a Lender shall be given in the same manner as provided in Section 5.15 hereof. Giving of any notice of default or the failure to deliver a copy to any Lender shall in no event create any default. In the event that any notice shall be given of the default of a Party and such

defaulting Party has failed to cure or commence to cure such default provided in this Agreement, then and in that event the Lender under the Leasehold Mortgage affecting the defaulting Party's interest in said Party's Project, or any part thereof, shall be entitled to receive an additional notice, given in the manner provided in Section 5.15 hereof, that the defaulting Party has failed to cure such default and such Lender shall have thirty (30) days after the receipt of said additional notice (but shall not be required) to cure any such default, or, if such default cannot be cured within thirty (30) days, to diligently commence curing within such time and diligently cure within a reasonable time thereafter.

(c) If any Lender or any purchaser at any foreclosure sale acquires title to a Party's Project, whether by foreclosure, or by deed in lieu of foreclosure, or otherwise, such Lender or purchaser shall only be liable for the obligations of the Party which granted or executed the applicable Leasehold Mortgage and which accrue under this Agreement from and after the earlier of (i) the date of its acquisition of title, or (ii) the date upon which such Lender or purchaser takes possession of said Party's Project.

Section 5.9 Release.

If a Party or other person obligated to comply with any provisions of this Agreement sells, transfers or otherwise conveys its interest in the Agency Project, the City Project, the Developer Project, or any part thereof or interest therein, such Party or person shall, as respects the property so conveyed, be released from all obligations to thereafter comply with the provisions of this Agreement provided:

(1) It gives notice to the Other Parties of its sale, transfer or other conveyance promptly after the filing for record of the instrument effecting the same;

(2) All amounts that are then due and payable by such Party or person to the Other Parties have been paid to such Other Parties; and

(3) Such Party or person delivers to the Other Parties an instrument signed by its grantee in recordable form that acknowledges such grantee's assumption of the duties, responsibilities and obligations imposed on such Party or Person by this Agreement and assumed by such grantee, which instrument must be in a form reasonably satisfactory to said other Parties. Notwithstanding such Party's or person's failure to provide the Other Parties with the document described above in

this subparagraph, the grantee of any sale, transfer or other conveyance of such property, or any part thereof, shall be deemed to have automatically assumed all provisions of this Agreement that such Party or person was theretofore obligated to perform.

Section 5.10. Inconsistent Provisions. In the event any of the terms or provisions of this Agreement are inconsistent with the terms and provisions of the DDA, the terms and provisions of the DDA shall prevail for as long as and to the extent that the DDA is in effect.

The parties acknowledge and agree that except as expressly provided to the contrary in this Agreement, the terms and provisions of this Agreement are superior and prior to any Lease (except as to the CB-3 Project Lease); provided, however, if any obligations imposed on Agency or Developer under the Developer Sublease are greater than the obligations imposed hereunder with respect to the CB-3 Property, the Party upon whom such obligations are imposed shall be obligated to perform the obligations set forth in the Developer Sublease.

Section 5.11 Default; Remedies

(a) Event of Default. An "Event of Default" shall be deemed to have occurred under this Agreement if: (i) a

Party fails to perform fully any covenant or condition to be performed by such Party under this Agreement and such failure continues for more than thirty (30) days after written notice from the Other Party, or such Party shall not within such time period commence with due diligence and dispatch the curing of such default, or having so commenced such curing, shall thereafter fail or neglect to prosecute or complete the curing of such default with diligence and dispatch and within a reasonable time; or (ii) a Party shall be in default, following the expiration of any applicable cure period, under the CB-3 Project Lease, the Agency Lease, the Disposition and Development Agreement, or Developer's Sublease.

(b) Remedies. Upon the occurrence of an Event of Default, a Party not in default shall be entitled to exercise any and all rights and remedies such Party may have in equity but shall not be entitled to terminate this Agreement or any Easements created hereunder or to seek a money judgment; provided, however, that such Party may recover the cost of exercising its right and remedies as set forth herein, including, but not limited to, reasonable attorneys' fees; provided, further, that such Party may seek a money judgment covering (1) the cost of exercising its rights and remedies as set forth herein, including, but not limited to, reasonable attorneys' fees and (2) any amounts due from Other Parties pursuant to the provisions of Sections 2.1(g), 2.2(f), 2.3(d) and 2.4(c).

Section 5.12. Waiver of Award. In the event a Party's Project or any part thereof is taken by Condemnation, the Other Parties waive, in favor of such Party, any value of the Condemnation award attributable to any negative covenants or easements which the Other Parties holds in such Project and no part of such award shall be payable to the holder of the dominant tenement by virtue of such easement.

Section 5.13 Negation of Partnership and Third Party Benefits. None of the terms or provisions of this Agreement shall be deemed to create a partnership or joint venture between the Parties in their respective businesses or otherwise, nor constitute either Party as the agent of the other nor in any manner limit the ability of either Party to carry on its respective businesses or activities, nor impose upon either Party any fiduciary duty by reason of its carrying on its separate business or activity, nor impose upon either Party any liability or obligation. This Agreement is not intended nor shall it be construed to create any third party beneficiary rights in any Occupant or any other person or entity that is not a Party, except as expressly provided in Section 5.8.

Section 5.14 Severability. Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any person by legislation, judgment or court order shall in no way affect any of the other provisions hereof

or the application thereof to any other person and the same shall remain in full force and effect; provided, however, that if the invalidity of such provision materially affects the benefits accruing to a Party under this Agreement, such provision shall not be severable.

Section 5.15 Notices. (a) Except as provided in (b) below, if at any time after the execution of this Agreement, it shall be required or become necessary or convenient for a Party to serve any notice, demand or communication upon a Party, such notice, demand or communication shall be in writing and shall be served by certified United States mail, return receipt requested, postage prepaid, and (i) if intended for City shall be addressed to:

City and County of San Francisco
Clerk of the Board of Supervisors
City Hall
San Francisco, California 94102

with a copy to:

Chief Administrative Officer
City and County of San Francisco
City Hall
San Francisco, California 94102

and (ii) if intended for Agency shall be addressed to:

Redevelopment Agency of San Francisco
Secretary of the Agency
P.O. Box 646
San Francisco, California 94101

and (iii) if intended for Developer shall be addressed to:

or to such other address as a Party may from time to time furnish to the other in writing as the place for the service of notice. Any notice so mailed shall be deemed to have been given forty-eight (48) hours after the time the same is deposited in the United States mail; provided, however, that any notice of a change in the address to which any notices are to be sent to a Party shall be to an address in San Francisco, California, and shall be effective only upon receipt by the Other Parties. The provisions with respect to notices as set forth in this Section 5.15 shall further apply to any notices to be given to any Lender pursuant to Section 5.8.

(b) Notwithstanding the provisions of (a) above, if at any time after the execution of this Agreement, it shall be required or become necessary for a Party to serve any notice, demand or communication upon a Party in a case where a sudden unexpected occurrence demands immediate action to prevent or mitigate loss or damage to life, health, property or essential public services, such notice may be by telephonic communication and (i) if intended for City directed to:

() _____

and (ii) if intended for Agency shall be directed to:

() _____

and (iii) if intended for Developer shall be directed to:

() _____

or to such other person at such other telephone number as a Party may from time to time furnish to the other in writing as the person and place for the service of notice. Any notice served pursuant to the provisions of this subparagraph (b) must be verified within seventy-two (72) hours after its service by delivery of notice to the Party served of written notice in the manner provided for in subparagraph (a) above.

Section 5.16 Approval.

(a) If consent or approval of City is required under this Agreement, such consent or approval must be given by the Chief Administrative Officer of the City and County of San Francisco in addition to any consent or approval that might also be required to be given by any other agency or official of City or by the Board of Supervisors of the City and County of San Francisco.

(b) Notwithstanding the provisions of Section 4.1, the Parties each acknowledge that, except as provided above in Section 5.8, no provision of this Agreement shall be construed to require the consent or approval of any person or entity other than a Party.

(c) Wherever in this Article approval of a Party is required, such approval or disapproval shall be given in writing within thirty (30) days following the giving of the item to be so approved disapproved, or the same shall be conclusively deemed to have been approved by such Party. Any disapproval shall specify with particularity the reasons therefor.

Section 5.17 Time of the Essence. Time is of the essence in the performance of the obligations arising under this Agreement, and each and every provision hereof.

Section 5.18 California Law. This Agreement shall be governed by, interpreted in accordance with, and enforced pursuant to the internal laws of the State of California.

Section 5.19 Interpretation. The provisions of this Agreement shall be liberally construed to effectuate their purpose of creating a uniform plan for the beneficial development and operation of the Rooftop Project.

Section 5.20 Captions. The captions preceding the text of each Article, Section and Subsection hereof are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement.

Section 5.21 Number; Gender; Etc. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine and neuter shall each include the masculine, feminine or neuter, as the context requires. The use herein of the word "including" (whether or not followed by language such as "but not limited to" or "without limitation") shall be interpreted as meaning and referring to not only the specific item or matters thereafter enumerated, but also all other items or matters that could reasonably fall within the broadest possible scope of the general statement, term or matter in connection with which the word "including" is used.

IN WITNESS WHEREOF, the Parties have each executed and acknowledged this Agreement as of the day and year first above written.

CITY: THE CITY AND COUNTY OF
SAN FRANCISCO, a municipal
corporation; and a chartered
city and county of the
State of California

By: _____

Its: _____

Approved as to form:

CITY ATTORNEY FOR THE
CITY AND COUNTY OF
SAN FRANCISCO

AGENCY: THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF
SAN FRANCISCO,
a redevelopment agency and
public body existing under
the laws of the State of
California

By: _____

Its: _____

Approved as to form:

ATTORNEY FOR THE RE-
DEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF
SAN FRANCISCO

DEVELOPER:

YBG ASSOCIATES
a California limited partnership

By: Olympia & York California
Equities Corp., a
Delaware corporation,
A General Partner

By: _____

Its: _____

By: Marriott Corporation, a
Maryland Corporation,
A General Partner

By: _____

Its: _____

4777.40

State of California)
) ss.
County of San Francisco)

On this ____ day of _____, in the year 19__, before me _____, a notary public, personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed the within instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this ____ day of _____, in the year 19__, before me _____, a notary public, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed the within instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the City and County of San Francisco and acknowledged to me that the City and County of San Francisco executed it.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the City and County of San Francisco and acknowledged to me that the City and County of San Francisco executed it.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires:

Exhibits to REA

EXHIBIT A	Description of CB-3 Property
EXHIBIT B	CB-3 Site Plan

EXHIBIT A TO ATTACHMENT NO. 28

(CB-3 EASEMENT AGREEMENT)

ALL OF CB-3

LEGAL DESCRIPTION

ALL OF THE REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

NOTE 1: ALL ELEVATIONS HEREINAFTER MENTIONED REFER TO CITY AND COUNTY OF SAN FRANCISCO DATUM.

CENTRAL BLOCK 3:

PARCEL ONE

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FOLSOM STREET AND THE SOUTHWESTERLY LINE OF THIRD STREET AND THENCE RUNNING SOUTHWESTERLY ALONG SAID LINE OF FOLSOM STREET AS SAID STREET EXISTED PRIOR TO THE VACATION OF A PORTION THEREOF BY RESOLUTION NO. 106-75, ADOPTED FEBRUARY 3, 1975, BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, 825.954 FEET TO THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE NORTHWESTERLY ALONG SAID LINE OF FOURTH STREET 550.320 FEET TO THE SOUTHEASTERLY LINE OF HOWARD STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET 825.954 FEET TO SAID SOUTHWESTERLY LINE OF THIRD STREET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY ALONG SAID LINE OF THIRD STREET 550.320 FEET TO THE POINT OF BEGINNING.

BEING 100 VARA BLOCK NO. 364.

PARCEL TWO

ALL OF THE SPACE BELOW A HORIZONTAL PLANE AT ELEVATION 19.5 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THIRD STREET AND THE SOUTHEASTERLY LINE OF HOWARD STREET AND THENCE RUNNING SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET AND ITS SOUTHWESTERLY PROLONGATION 835.954 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 2 FEET; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY ALONG AN ARC OF A CURVE TO THE RIGHT TANGENT TO THE PRECEDING COURSE WITH A RADIUS OF 10 FEET, CENTRAL ANGLE 90 DEGREES 00' 00", AN ARC DISTANCE OF 15.708 FEET; THENCE NORTHEASTERLY TANGENT TO THE PRECEDING CURVE 825.954 FEET; THENCE NORTHEASTERLY, EASTERLY AND SOUTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT TANGENT TO THE PRECEDING COURSE WITH A RADIUS OF 10 FEET, CENTRAL ANGLE 90 DEGREES 00' 00", AND ARC DISTANCE OF 15.708 FEET; THENCE SOUTHEASTERLY TANGENT TO THE PRECEDING CURVE 2 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING PORTIONS OF SUBSURFACE AREA OF HOWARD, THIRD AND FOURTH STREETS.

PARCEL THREE

ALL OF THE SPACE BELOW A HORIZONTAL PLANE AT ELEVATION 14.5 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THIRD STREET AND THE NORTHWESTERLY LINE OF FOLSOM STREET AND THENCE RUNNING NORTHEASTERLY ALONG THE NORTHEASTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF FOLSOM STREET 10 FEET; THENCE SOUTHEASTERLY, SOUTHERLY AND SOUTHWESTERLY ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE TANGENT DEFLECTS 90 DEGREES 00' 00" TO THE RIGHT FROM THE PRECEDING COURSE WITH A RADIUS OF 10 FEET, CENTRAL ANGLE 90 DEGREES 00' 00", AN ARC DISTANCE OF 15.708 FEET; THENCE DEFLECTING 90 DEGREES 00' 00" TO THE RIGHT FROM THE TANGENT TO THE PRECEDING CURVE AND RUNNING NORTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF THIRD AND FOLSOM STREETS.

PARCEL FOUR

ALL OF THE SPACE BELOW A HORIZONTAL PLANE AT ELEVATION 5.5 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF FOURTH STREET AND THE NORTHWESTERLY LINE OF FOLSOM STREET AND THENCE RUNNING SOUTHWESTERLY ALONG THE SOUTHWESTERLY PROLONGATION OF SAID NORTHWESTERLY LINE OF FOLSOM STREET 10 FEET; THENCE SOUTHEASTERLY, EASTERLY AND NORTHEASTERLY ALONG THE ARC OF A CURVE TO THE LEFT WHOSE TANGENT DEFLECTS 90 DEGREES 00' 00" TO THE LEFT FROM THE PRECEDING COURSE WITH A RADIUS OF 10 FEET, CENTRAL ANGLE OF 90 DEGREES 00' 00", AN ARC DISTANCE OF 15.708 FEET; THENCE DEFLECTING 90 DEGREES 00' 00" TO THE LEFT FROM THE TANGENT TO THE PRECEDING CURVE AND RUNNING NORTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF FOURTH AND FOLSOM STREETS.

PARCEL FIVE

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 5.5 FEET AT ITS SOUTHWESTERLY LINE AND ELEVATION 14.5 FEET AT ITS NORTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THIRD STREET AND THE NORTHWESTERLY LINE OF FOLSOM STREET AND THENCE RUNNING

SOUTHWESTERLY ALONG SAID LINE OF FOLSOM STREET AS SAID STREET EXISTED PRIOR TO THE VACATION OF A PORTION THEREOF BY RESOLUTION NO. 106-75, ADOPTED FEBRUARY 3, 1975, BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, 825.954 FEET TO THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 10 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 825.954 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF FOLSOM STREET.

PARCEL SIX

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 19.5 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 19.43 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THIRD STREET AND THE SOUTHEASTERLY LINE OF HOWARD STREET AND THENCE RUNNING SOUTHEASTERLY ALONG SAID LINE OF THIRD STREET 8 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 8 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF THIRD STREET.

PARCEL SEVEN

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 29.43 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 24.63 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE AND BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF THIRD STREET, DISTANT THEREON 8 FEET SOUTHEASTERLY FROM THE SOUTHEASTERLY LINE OF HOWARD STREET AND THENCE RUNNING SOUTHEASTERLY ALONG SAID LINE OF THIRD STREET 528.320 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 528.320 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA AND AIR SPACE OF THIRD STREET.

PARCEL EIGHT

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 14.63 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 14.5 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THIRD STREET AND THE NORTHWESTERLY LINE OF FOLSOM STREET AND THENCE RUNNING NORTHWESTERLY ALONG SAID LINE OF THIRD STREET 14 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 14 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF THIRD STREET.

PARCEL NINE

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 19.5 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 19.01 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF FOURTH STREET AND THE SOUTHEASTERLY LINE OF HOWARD STREET AND THENCE RUNNING SOUTHEASTERLY ALONG SAID LINE OF FOURTH STREET 18 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF FOURTH STREET.

PARCEL TEN

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 29.04 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 15.96 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE AND BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF FOURTH STREET, DISTANT THEREON 18 FEET SOUTHEASTERLY FROM THE SOUTHEASTERLY LINE OF HOWARD STREET AND THENCE RUNNING SOUTHEASTERLY ALONG SAID LINE OF FOURTH STREET 514.32 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 514.32 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIR SPACE AND SUBSURFACE AREA OF FOURTH STREET.

PARCEL ELEVEN

ALL OF THE SPACE BELOW A SLOPED PLANE WITH ELEVATION 5.96 FEET AT ITS NORTHWESTERLY LINE AND ELEVATION 5.5 FEET AT ITS SOUTHEASTERLY LINE, BOUNDED BY PLANES PROJECTED VERTICALLY BELOW THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF FOURTH STREET AND THE NORTHWESTERLY LINE OF FOLSOM STREET AND THENCE RUNNING NORTHWESTERLY ALONG SAID LINE OF FOURTH STREET 18 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 10 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 18 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 10 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF SUBSURFACE AREA OF FOURTH STREET.

PARCEL TWELVE

ALL OF THE SPACE BETWEEN HORIZONTAL PLANES AT ELEVATION 19.5 FEET AND ELEVATION 29.5 FEET, BOUNDED BY PLANES PROJECTED VERTICALLY ABOVE THE SURFACE LIMITS OF CERTAIN LAND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET, DISTANT THEREON 240.00 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF THIRD STREET AND THENCE RUNNING SOUTHWESTERLY ALONG SAID LINE OF HOWARD STREET 345.954 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 3 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 345.954 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 3 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF AIR SPACE OF HOWARD STREET.

EXHIBIT B TO ATTACHMENT NO. 28

(CB-3 EASEMENT AGREEMENT)

CB-3 REAL PROPERTY
CB-3 SITE PLAN

See Sheets 21 and 22 of
Attachment No. 4 to DDA

[At time of execution, the actual site
plan shall be substituted for this Exhibit]





Attachment No. 30A to DDA
(Quitclaim re: CB-1 Hotel Parcels)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
____ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.69

EXHIBIT A

See legal description for CB-1 Hotel Parcel
described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]





Attachment No. 30B to DDA
(Quitclaim re: CB-1 Office Parcel)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
___ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.60

EXHIBIT A

See legal description for CB-1 Office Parcel
described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]





Attachment No. 30C to DDA
(Quitclaim re: CB-1 Residential Parcels)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
____ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.66

EXHIBIT A

See legal description for CB-1 Residential Parcel
described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]



Attachment No. 30D to DDA
(Quitclaim re: ARE, Retail and Parking Parcels)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
____ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.68

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.68

EXHIBIT A

See legal description for CB-1 Retail Parcels,
CB-2 Parking Parcel, CB-2 A.R.E. Parcels and
CB-2 Retail Parcels described in Attachment No. 3 to DDA.

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]

Attachment No. 30E to DDA
(Quitclaim re: CB-3 Parcels)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
____ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

EXHIBIT A

See legal description for CB-3 A.R.E. Parcels and
CB-3 Retail Parcels described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]



Attachment No. 30F to DDA
(Quitclaim re: EB-2 Office Parcel)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0
____ Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, YBG ASSOCIATES a California limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real property in the City of San Francisco, County of San Francisco, State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19__,
before me, the undersigned, a notary public in and for the
State of California personally appeared _____,
personally known to me [or proved to me on the basis of satis-
factory evidence] to be the person who executed this instrument
as _____ of the corporation therein named and
acknowledged to me that the corporation executed it on behalf
of the partnership pursuant to its bylaws or a resolution of
its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and af-
fixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires: _____

4777.70

EXHIBIT A

See legal description for EB-2 Office Parcels
described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]





Attachment No. 30G to DDA
(Quitclaim re: EB-2 Residential Parcel)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

STEEFEL, LEVITT & WEISS
A Professional Corporation
One Embarcadero Center, 28th Floor
San Francisco, California 94111
Attention: Edward R. Steefel, Esq.

Space above this line for Recorder's use

MAIL TAX STATEMENTS TO:

The Redevelopment Agency
of the City and County of
San Francisco
939 Ellis Street
San Francisco, CA 94109

DOCUMENTARY TRANSFER TAX \$ 0

Computed on the considera-
tion or value of property
conveyed;

Signature of Declarant or
Agent determining tax

PARTNERSHIP QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby ac-
knowledgeed, YBG ASSOCIATES a California limited partnership,
does hereby REMISE, RELEASE AND QUITCLAIM TO THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO the real prop-
erty in the City of San Francisco, County of San Francisco,
State of California described on Exhibit A attached hereto.

Dated _____ YBG Associates, a California
limited partnership

By: Olympia & York California
Equities Corp., its general
partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

MAIL TAX STATEMENTS AS DIRECTED ABOVE

State of California)
) ss.
County of San Francisco)

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

[SEAL] My commission expires:

State of California)
County of San Francisco) ss.

On this _____ day of _____, in the year 19____, before me, the undersigned, a notary public in and for the State of California personally appeared _____, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person who executed this instrument as _____ of the corporation therein named and acknowledged to me that the corporation executed it on behalf of the partnership pursuant to its bylaws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

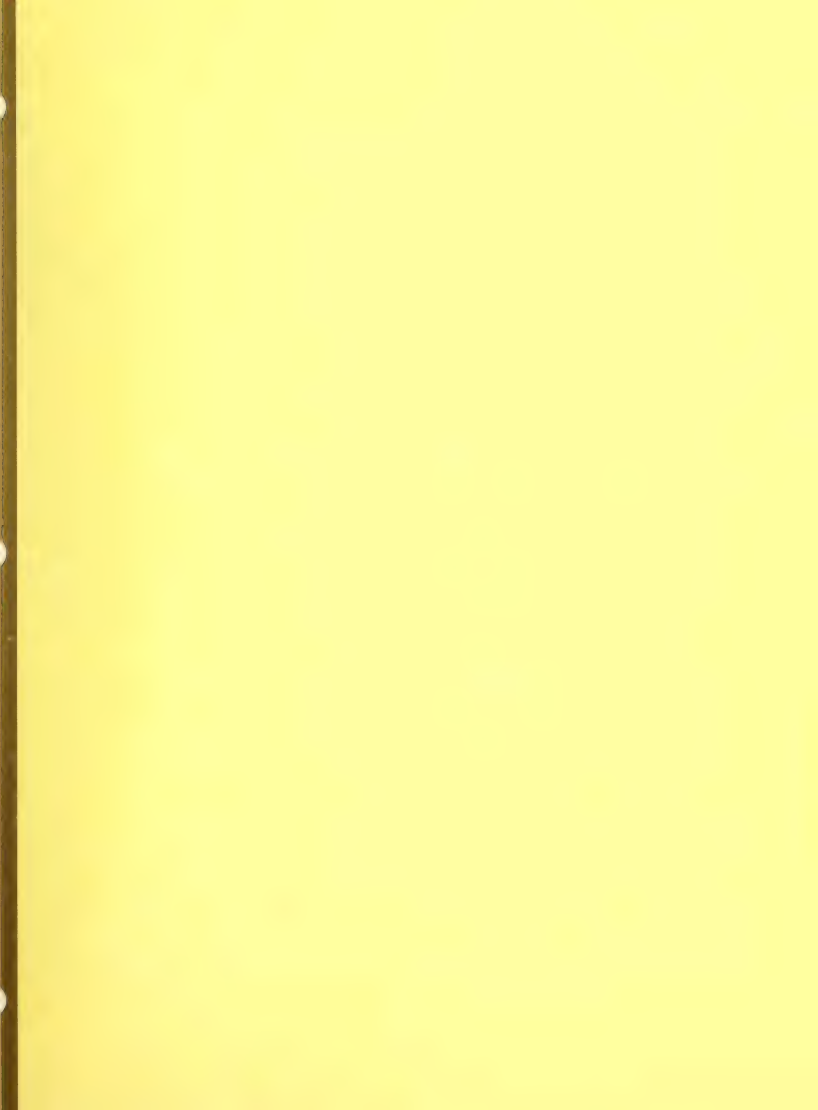
Notary Public

[SEAL] My commission expires:

EXHIBIT A

See legal description for EB-2 Residential Parcel
described in Attachment No. 3 to DDA

[At the time of execution, the precise legal
description shall be substituted for this
Exhibit.]



Attachment No. 31 to DDA

[Escrow Instructions for Quitclaim Deeds
Which are Attachment Nos. 30A - 30D of the DDA]

_____, 1984

Ticor Title Insurance Company
of California
160 Pine Street, 1st Floor
San Francisco, California 94111

Attention: Wayne Cave

Re: Escrow No. _____

Gentlemen:

YBG Associates, a California limited partnership ("Developer"), one of the undersigned, has entered into that certain agreement (the "Disposition and Development Agreement") dated as of October, 1984 with the Redevelopment Agency of the City and County of San Francisco ("Agency"), the other party to these instructions, whereby Developer is granted an option to purchase or to lease certain parcels of real property (individually a "Parcel" and collectively the "Parcels"). These Parcels are the subject of this escrow and are described Parcel by Parcel in the accompanying quitclaim deeds (individually, a "Quitclaim Deed" and collectively, the "Quitclaim Deeds").

Section 11.20 of the Disposition and Development Agreement provides that within thirty (30) days of the Effective Date of the Disposition and Development Agreement (as defined therein) the Quitclaim Deeds will be delivered to you together with irrevocable escrow instructions. This document constitutes the escrow instructions and is for the purpose of irrevocably instructing you as to the disposition of the accompanying Quitclaim Deeds.

In the event that you receive from Agency a notice certifying that a copy of it has been delivered concurrently to Developer, and stating that either (i) Developer has not timely exercised its option to purchase or lease one or more of the Parcels, or (ii) the Agency has terminated the Disposition and Development Agreement, you shall at the end of twenty (20) days after receipt of said instructions record the Quitclaim Deed or Quitclaim Deeds specified in the Agency's notice unless you are within said twenty (20) day period prohibited from recording said Quitclaim Deed or Quitclaim Deeds by temporary restraining order, preliminary injunction, or other court order.

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The Effect of the Diet on the Blood Sugar in the Normal Adult Male Subject, J. H. W. H. and J. H. W. H., 1

The undersigned, jointly and severally, and each of us, hereby agrees to defend, indemnify and hold you harmless from any liability whatsoever, including attorneys' fees arising out of your carrying out these instructions.

In the event that you are advised by both the parties hereto that the option to purchase or lease one of the Parcels has been exercised, you will forthwith return the Quitclaim Deed related to the pertinent Parcel to Developer. In the event that there still remains in your possession an undisposed Quitclaim Deed by October 31, 2000 you shall contact Agency and Developer as to its disposition.

These instructions may not be withdrawn or in any way amended, modified or waived without the prior written consent of both of the parties hereto.

Please indicate your acceptance of and agreement to carry out these instructions as indicated below.

Very truly yours,

YBG Associates, a California
limited partnership

By: Olympia and York California
Equities Corp., a Delaware
Corporation, general partner

By: _____

Its: _____

By: Marriott Corporation, a
Delaware corporation, a
general partner

By: _____

Its: _____

Redevelopment Agency of the
City and County of San Francisco

By _____

The foregoing is hereby accepted and agreed to this ____ day of _____, 1984.

Ticor Title Insurance Company

By: _____

Its: _____

4777.87



